

Most OPEC Nations Back Outside Audit Of Prices, Output

By Bob Haggerty
International Herald Tribune
GENEVA — Twelve of the 13 OPEC countries endorsed a proposal Thursday for independent auditing of production and pricing practices of the cartel's members.

But Tam David-West, Nigeria's oil minister, arriving late Thursday, refused to say whether his country would support the move. His silence raised speculation that Nigeria had serious objections or wanted to bargain.

The ministers, reconvening the regular winter conference of the Organization of Petroleum Exporting Countries after a five-day break, also remained divided on pricing policy.

Several ministers warned that OPEC must reach a sturdy agreement on both matters if it is to brake the decline in oil prices. Failure to reach a unanimous accord "would be very dangerous," would be fatal for OPEC," said Indonesia's oil minister, Subroto, who is chairman of the conference.

Some ministers have predicted that OPEC members will slide into a price war if no accord is reached. The grim mood reflects OPEC's failure to force up prices despite the Oct. 31 agreement to reduce the group's output ceiling to 16 million barrels a day from 17.5 million.

The auditing proposal, which surfaced last week, is an attempt to stop OPEC members from flooding their own output and pricing rules. Details of the proposal remain unclear, but it would involve scrutiny of each member's pricing and production by internationally recognized auditing firms.

"We support it wholeheartedly," an Iranian delegate said.

The Iraqi minister, Qasim Taki al-Orabi, said his country accepted the idea but might seek modifications. He did not elaborate.

An Ecuadorian source said that his country had planned to reject the proposal on the ground that it would infringe on sovereignty. But Ecuador decided to accept after learning of support for the proposal from other members.

A more contentious issue is how to bring OPEC's price structure closer to market reality.

Most ministers want to preserve the largely symbolic benchmark price of \$29 for Arab light, though such crude recently has been trading for about \$1.50 less on the free market. Under discussion are proposals to narrow the gap between the official prices of heavy and extra-light crudes.

OPEC's current rules call for a price range of \$26 for the heaviest crudes to \$30.50 for the lightest. The market range recently has been about \$26 to \$28.

A proposal backed by Saudi

Arabia would narrow the range of official prices by 75 cents, raising heaviest 50 cents and trimming extra-lights 25 cents.

But such big producers of lighter crudes as the United Arab Emirates and Algeria have argued that Arab heavy should rise at least \$1. Such an increase would push the crude well above market prices and hurt exports of Saudi Arabia and Kuwait, major producers of heavy crude.

Nigeria also has described the Saudi-backed proposal as too modest. "It cannot be cosmetic, it must be bold," Mr. David-West said of the expected narrowing of the price range.

Mock Comet Is Launched In Study of Solar Winds

The Associated Press
LOS ANGELES — Scientists launched an artificial comet Thursday high above Earth, where it "exploded like a very bright star" and formed a tail 31,000 miles (50,000 kilometers) long, then dissipated after 15 minutes in an experiment to study solar wind.

The comet is part of seven experiments costing \$78 million by U.S., British and West German scientists to investigate how the Earth's magnetic field interacts with solar wind, a hot, electrically charged gas or "plasma" speeding away from the Sun at nearly 1 million mph.

"The solar wind blew this thing away very rapidly," said Bob Cameron, a scientist in a National Aeronautics and Space Administration jet that flew over the Pacific Ocean from Mountain View, California.

"At the outset, it exploded. It looked like a very bright star — sort of a yellowish-blue flash that quickly went to purple," Mr. Cameron said. "It held that size and shape for about three to five minutes, then we began to see a pronounced tail, which grew very rapidly."

Unlike a real comet — a frozen ball of dust and gas with a long tail of loose atoms and particles — the artificial comet was formed by a cloud of barium, a metallic element.

It appeared 10 minutes after two canisters of barium were released from a West German satellite about 60,000 miles over the Pacific and dissipated after 15 minutes, Mr. Cameron said.

U.S. and British observation satellites and an Argentine plane flying out of Tahiti also spotted the barium cloud, but three of four main ground observatories were clouded over.

"It has been spotted. Everything went perfectly on schedule," said Gerhard Haerendel, a project coordinator and director of the Max Planck Institute for Extraterrestrial Physics.

Mr. Haerendel said the U.S. and British spacecraft "got very exciting measurements. They got all the signatures of the solar winds, of a decrease in the magnetic field, and all the complex signatures of these interactions. I think we have wonderful data."

The satellites "saw very clear, strong signatures" from the comet with their various detection instruments, Richard McEntire, a physicist, said by phone from the project's science data center at Johns Hopkins University in Baltimore.

Cambodia Fighting Intensifies

Khmer Resist Vietnam Troops At 4 Camps

The Associated Press
NONG SAMET, Thailand — Cambodian guerrillas fought Vietnamese troops at close range at the largest Cambodian resistance camp and skirmished with the attackers at four other camps Thursday, military and guerrilla leaders said.

Lia Ne, commander of Khmer People's National Liberation Front forces at the Rithien camp, said the heaviest fighting took place early Thursday. Combatants got to within 20 yards (18 meters) of each other in intense fighting, he said.

The commander in chief of the Thai armed forces, General Arthit Kamlang-ek, declared an alert for the central zone of the Thai-Cambodian border, according to the deputy army spokesman, Colonel Anusorn Krissanasarni.

Rithien is the largest of about 20 rebel camps near the Thai-Cambodian border. It was overrun and set ablaze by Vietnamese units Wednesday. Its 61,000 civilians fled into Thailand to take shelter with relief organizations.

Mr. Ne and Thai military officials reported at least 15 guerrillas were killed and at least 35 wounded in Thursday's fighting.

Mr. Ne said his guerrillas killed at least 50 Vietnamese soldiers and wounded about 100 Thursday.

The claims were impossible to verify because reporters do not have access to the battle area. But the wounded could be seen straggling into Thailand for treatment.

A Thai Army spokesman said small units of the National Liberation Front were staging raids and attempting to cut supply routes behind Vietnamese lines.

Since Hanoi invaded Cambodia in late 1978, the Vietnamese and the pro-Hanoi government in Cambodia have been fighting three guerrilla resistance groups. They are the Communist Khmer Rouge

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The four Polish security officers at their trial Thursday, sitting with uniformed police guards. In the front row are Grzegorz Piotrowski, left, and Leszek Pekala; in second row, Waldemar Chmielewski, left, and Adam Pietruszka.

Nicaraguan Rebels Admit Abuses Against Civilians

By Joel Brinkley
New York Times Service
WASHINGTON — Members of Congress and other government officials say many reports of abuses by Nicaraguan rebels against civilians have come to their attention recently as a result of congressional investigations of the CIA's manual on guerrilla warfare.

Current and former rebel leaders, in interviews over the last few weeks, said that some of their guerrillas had been guilty of atrocities. The leaders said they deplored the acts and they contended they had evidence that the Sandinists were guilty of the same kinds of abuses.

Senator Patrick J. Leahy, Democrat of Vermont, a senior member of the Select Committee on Intelligence, said the committee was likely to investigate the reports of atrocities next year.

In testimony to the House Select Committee on Intelligence this month, the members of Congress and other sources said, CIA officials and others presented evidence that the U.S.-backed rebels had raped, tortured and killed civilians, including children.

Members of Congress and the other sources said the reports included testimony from at least one rebel leader, press accounts, and reports and affidavits from private individuals and organizations that interviewed victims and witnesses in Central America.

The reports included accounts about groups of civilians, including women and children, who were burned, dismembered, blinded or beheaded, the sources said.

Congress ended its tie to the rebels last spring but is to consider renewing it early next year.

Early this month, Representative Edward P. Boland, Democrat of Massachusetts and chairman of the House committee, said CIA officers offered the reports of atrocities as one explanation for the agency's guerrilla-warfare manual.

The CIA officials, including Director William J. Casey, told the committee that they were concerned about the stories of kidnappings and assassinations of civilians, Mr. Boland said.

Mr. Boland said the CIA officers told his committee that the agency published the manual so the rebels "could win the hearts and minds of the Nicaraguan population."

The manual advised rebels to kidnap Sandinists, to "neutralize" selected government officials, to blackmail ordinary citizens so they

would be forced to join the rebel cause and to hire criminals who would arrange the shooting deaths of fellow rebels so they would become martyrs.

In separate interviews, rebel leaders said they did not know whether the number of soldiers disciplined for abuses had increased or decreased in the year since the manual was issued. But one rebel official, Bosco Matamoros, said the rebels' behavior had gradually improved over the years.

"We have a voluminous file on Sandinist atrocities" as well, Mr. Matamoros said.

He said the Nicaraguan Democratic Force, the largest rebel group, had documented "several hundred cases" of rebel abuses against civilians in the last two years. The abuses ranged from petty theft to murder, he said.

He and other rebel leaders described the problem as a regrettable byproduct of civil war and added that their military courts had issued sentences ranging from demotion to imprisonment each time an abuse was discovered.

Alfonso Robelo Callegas, a member of the rebel group's directorate, said: "It is very difficult to control an irregular army. Many soldiers

join because they have people they want to get even with."

Edgar Chamorro Coronel, a former rebel leader, said he told the House committee that some rebel commanders routinely executed their prisoners.

"The practice was common," Mr. Chamorro said, "but it definitely was not our policy."

Other members of the rebel directorate dismissed Mr. Chamorro from the Nicaraguan Democratic Force, partly because of his public discussion of the atrocity issue.

Several leaders of the Nicaraguan Democratic Force said Sandinist government officials and their sympathizers had been publicizing the atrocity issue.

Adolfo Calero Portocarrero, chairman of the rebel group, said the Sandinists had carried on "an orchestrated campaign to make resistance fighters appear as atrocious terrorists." He added: "We draw our very blood from the civilians they say we are killing."

As to killing children, he said: "In Nicaragua everything is militarized. If we attack a military installation and there are children there, then that might happen. But what the hell were the children doing there?"

He said he was tied with a rope around his neck, wrists and ankles so that he strangled himself as he struggled. He said he was dead when he was thrown into the Vistula.

The three officers were also accused of having tried to kill Father Popieluszko and Mr. Chrostowski six days before the kidnapping by stoning their car as they drove in northern Poland.

The indictment against Colonel Pietruszka said he had used his rank to persuade the three alleged killers to kidnap and murder Father Popieluszko and later obstructed the investigation to find them.

Lieutenant Pekala said Captain Piotrowski asked him and Lieutenant Chmielewski in early October to take part in a dangerous mission connected with Popieluszko that could result in the death of the priest, whose health was fragile.

The aim was to frighten him into stopping his support for Solidarity and to disclose the hiding places of underground activists, he said.

Captain Piotrowski said they need not be afraid of the consequences and that he alone would be responsible to his superiors for anything that happened. Lieutenant Pekala added.

Lieutenant Pekala said several plots were considered.

After the stoning of Father Popieluszko's car failed, the three security agents went to Bydgoszcz, near Torun, where Father Popieluszko preached on Oct. 19 "with

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Officer Testifies In Poland

Says Superior Backed Attack Against Priest

TORUN, Poland — Three security police officers who admit murdering the Reverend Jerzy Popieluszko believed they had high-level support and would be rewarded, the prosecution told the opening session of their trial Thursday.

The public prosecutor said at Torun provincial court that Captain Gregorz Piotrowski, 33, Lieutenant Leszek Pekala, 32, and Lieutenant Waldemar Chmielewski, 29, did not think they were doing wrong when they killed the Roman Catholic priest in October.

Father Popieluszko, a militant anti-communist and supporter of the banned Solidarity free trade union, was kidnapped near Torun, 125 miles (200 kilometers) northwest of Warsaw, on Oct. 19. His body was pulled from the river Vistula 11 days later.

Major indictments carrying possible death sentences and minimum eight-year jail terms were read against the three officers.

Their superior at the Interior Ministry, Colonel Adam Pietruszka, also appeared at the trial, accused of aiding and abetting the killing.

Lieutenant Pekala said in testimony that the priest had been kidnapped to frighten him into abandoning his support for Solidarity.

The lieutenant, the only defendant to speak on the first day of the trial, said that he helped kill Father Popieluszko but that his death had not been intended.

The indictment said the three junior officers stopped Father Popieluszko and his driver, Waldemar Chrostowski, on a country road with the intention of killing them.

Mr. Chrostowski escaped, by throwing open a door and jumping from the officers' car as they drove away with the priest in the trunk.

The indictment said the priest was beaten unconscious four times when he tried to escape.

It said he was tied with a rope around his neck, wrists and ankles so that he strangled himself as he struggled. He said he was dead when he was thrown into the Vistula.

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Famine Goes Far Beyond the Camps

Holy City in Ethiopia Overcome by Hunger and Despair

By Clifford D. May
New York Times Service

LALIBALA, Ethiopia — At night, the mountain slopes surrounding this ancient and holy city flicker with the light of tiny fires.

Huddled around them are men, women and children, shapeless in blankets as brown as the earth. Until recently they were farmers like their fathers and forefathers for countless generations. Now their only occupation is waiting.

In recent weeks, international attention has focused on the famine in Ethiopia, and images from the refugee camps at Korem, Mekele and Bati have become familiar around the world. Yet the great majority of this country's regions of hungry and poor are not in camps but isolated in the vast and rugged countryside and in remote villages and cities like Lalibala.

In a sense, the images to be seen in these places are more disturbing. In a refugee camp, destitution is to be expected; that is the condition the camp was created to treat. On the streets of a proud city like Lalibala, in contrast, the masses of crippled, diseased and starving people seem incongruous.

Those in the camps at least have some access to food and medical

care. For most of those in the now infertile expanses of rural Ethiopia, however, there is neither.

A recent survey conducted from here by the relief organization, World Vision International, turned up many pockets of people wandering through the desolate countryside in search of food. In one group, as many as 25 were dying every day.

Even in Lalibala, life has become precarious. At the local market, food is scarce and expensive, but cows and goats are cheap. A cup of coffee, the grain from which Ethiopians make their spongy bread, used to sell for half a birr (about 25 cents). Now it goes for two and a half birr.

About 6,000 people live in Lalibala. Several thousand more inhabit the outlying mountains and hills. The city is 200 miles (324 kilometers) north of Addis Ababa and 8,500 feet (2,577 yards) above sea level. It is named for a king who, eight centuries ago, carved out a divine command to carve 10 monolithic churches from a solid rock mountainside in what was then a Christian capital protected by its topography from Islamic advance.

For 22 years, noncarpenters, masons and carpenters performed the

work by day, using techniques now forgotten.

Most of the churches, though eroded and crumbling, remain in use. Hermit monks still live in small holes bored in the walls. The faithful still congregate for services. These days, said the Reverend Getu Gebeyehu, they pray for food, for healing and for help.

"The people, they are living in trouble," said the priest, who is blind and is said to be 110, the oldest man in Lalibala. "They are not happy. Always they are hungry. I pray for them."

In mid-October, anti-government guerrillas from Tigre to the north seized Lalibala, held the city for 15 days and used a hotel once patronized by foreigners as their headquarters.

When government troops retook Lalibala they, too, moved into the hotel. Now men with guns peer down from the heights.

Many people fled Lalibala during the fighting. Slowly, they are beginning to return, starving and penniless like the other rural people trekking toward the holy city.

Many die. But since the opening a few weeks ago of a small feeding center on the outskirts of town, many others have been saved.



Helufite Haile, 3, an Ethiopian famine victim who is half normal weight, is examined by Dr. Peter Jordans of the Netherlands at the Alamata refugee center. The center is run by World Vision International, a relief organization.

INSIDE

■ Belgian authorities are making little apparent progress in their search for anti-NATO bombers. Page 3.

WEEKEND

■ Twelfth Night, or Epiphany, has its own frivolous traditions, recalled in a new book. Mary Blume reports. Page 7.

BUSINESS/FINANCE

■ The surplus on Japan's current account narrowed to \$2.9 billion in November from \$3.9 billion in October. Page 11.

TOMORROW

Soviet officials are worried that a lack of computers may set Russia back in the East-West technology race.



A clothing salesman displayed the latest fashions during an exhibition last year in Beijing.

Profits, Pop Music and Videodating in a New China

The writer of this dispatch has just completed a three-year assignment as bureau chief of The New York Times in Beijing.

By Christopher S. Wren
New York Times Service

BEIJING — A startling announcement in the official press the other day reminded Chinese how serious their leader, Deng Xiaoping, was about his crusade to modernize China.

Beginning in 1985, the cabinet-level State Council declared, the strict, airtight that habitually follows lunch, will no longer be allowed in government offices because it saps efficiency. Until now, up to two hours for a bowl of rice and a desktop nap have been common among Chinese bureaucrats.

From now on, the government decreed, lunchtime will be limited to an hour.

Beijing's confidence in doing battle with such sacrosanct traditions shows how far Mr. Deng's changes have progressed since a watershed meeting of the Communist Party leadership six years ago gave him his first mandate to overhaul the country.

The experiments have been boldly conceived, yet often cautiously carried out. Mr. Deng and his pragmatic colleagues have moved carefully, often sidestepping the entrenched system to get things done.

The Chinese leader has succeeded so far because his policies respond to the aspirations of ordinary Chinese, who prefer a rising living standard to Mao's shrill injunctions of self-sacrifice. They may worry about the effect of policy changes on their wages and prices. But Mr. Deng has yoked his more serious critics to China's now discredited radical past.

"Deng is liked because he is practical," a Beijing woman commented. "People are fed up with ideology."

China's drab cities have taken on new vivacity in the last few years. The frugal habit of wearing clothing for "three years new, three years old, and three years of sewing and mending" has given way to colorful new jackets and jeans for many young people and Western business suits for their elders.

Liu Yandong, a Communist Youth League official, assured young Chinese in October that wearing fashionable

clothes conformed with socialism because it helped raise living standards.

Dances, once condemned as bourgeois, are now held to help young people meet one another. Where Mao forbade gambling, lotteries have been introduced at some sports events to "enliven the life of youth," as an organizer put it. China even encourages videodating services, bodybuilding contests, and exercise classes.

Classical music, banned as bourgeois under Mao, is once more performed in concert and heard on radio. Some popular music has even emerged.

But Beijing still balks at opening Chinese literature and the arts to what it calls the "decadence" of Western artistic freedoms. It retains a tight rein on writers and artists, discouraging them from probing too deeply into the sordid

recesses of the radical past and instead harnessing their creativity to glorifying the changes under way in China.

To help the nation catch up technologically with the West, more than 33,000 Chinese students have gone abroad to study since 1978. This is more than twice the number sent overseas in the first 27 years of Communist rule.

An overriding preoccupation with improving the quality of life domestically has caused China to give first consideration to its considerable problems at home.

Mr. Deng recently told Kaare Willoch, the visiting Norwegian prime minister, that the changes he had brought about would not be suspended now that China was on the right track. He called his program "a kind of new revolution entirely different from the Cultural Revolution," on the basis that it was freeing China's productive forces from the stifling egalitarianism of the Maoist era.

Officials insist that Mr. Deng's changes, which are aimed at quadrupling the value of China's farm and factory output in the last two decades of this century, enjoy universal support.

If the progress of Mr. Deng's policies has been retarded, it has been because of hesitancy and lethargy, the safest expressions of conservatism among China's 20 million government functionaries.

The trend toward a new mandarinism of educated technocrats has left some party members worrying about their own careers. Under the guise of a "consolidation" campaign, the party is now preparing to have its 40 million members reregister in order to weed out those who are radical, corrupt, or otherwise unable to swallow the pragmatic new party line.

The new policies have quickly taken root in the countryside, where work incentives let China's 800 million peasants

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Deaths Abate as Millions Vote In 2d Phase of Indian Elections

By William Claiborne

NEW DELHI—Amid scattered violence that followed the deaths of more than 30 persons in the first phase of the parliamentary elections, millions of Indians went to the polls Thursday in the second phase of voting.

The elections are expected to endorse Prime Minister Rajiv Gandhi's quest for a mandate to continue the political dynasty he inherited from his assassinated mother, Indira Gandhi.

Election commission officials reported a 45-percent turnout in the 116 election districts in six states that held balloting for seats to the Lok Sabha, the lower, lawmaking house of Parliament.

In the first stage of the election, which began Monday, balloting was held in 16 states and six union territories. The voting will end Friday, in districts in the far north-eastern states of Nagaland and Meghalaya.

Counting of the ballots in all states but Nagaland and Meghalaya is to begin Friday morning, with final results due Saturday.

The most important election Thursday was in Andhra Pradesh, where Mr. Gandhi's ruling Congress (I) Party holds 37 of the 42 Lok Sabha seats but is facing a

challenge from the regional Telugu Desam party headed by the state's chief minister, a former movie star, N.T. Rama Rao.

Mr. Rama Rao, who led his party to a sweeping victory over the Congress (I) Party in the 1983 state assembly election, turned back an attempt in August by Indira Gandhi and her appointed governor in Andhra Pradesh, Ram Lal, to topple the popularly elected Telugu Desam government.

After being summarily removed from office, Mr. Rama Rao led a "Save Democracy" campaign across the state and was reinstated.

On Wednesday, the authorities reported 22 persons, including two candidates, had been killed in election-related fights in rural districts of the state, according to reports reaching the state capital of Hyderabad, Indian news agencies reported.

Authorities said ballot boxes were stolen in 10 precincts, and that polling would be held in 40 districts Friday.

In another village in the same

election district, two police constables were injured when a bomb was thrown at a voting station. Police in Mainpuri, in the northern state of Uttar Pradesh, said that a constable was injured when someone fired on a polling station.

The election commission ordered repolling in 180 voting precincts in six states in northern and eastern India following complaints of attacks on polling stations by rival gangs of party workers in which ballot boxes were either destroyed or removed. The northern state of Bihar alone reported 135 instances of such attacks.

Suspected Sikh Terrorist

Indian security officials returned a suspected Sikh terrorist to India from Manila early Thursday in a chartered aircraft and were said to be questioning him on his alleged role in the assassination of Mrs. Gandhi. The New York Times reported from Delhi.

The suspect, Jasbir Singh, has been identified as a nephew of Jarnail Singh Bhindranvale, the Sikh fundamentalist preacher turned ex-

trémist leader, who was slain with hundreds of followers during an Indian Army assault last June on his headquarters in the Golden Temple complex at Amritsar.

Mr. Singh, who is thought to be in his early twenties, has been charged with sedition and terrorism, offenses that carry a maximum term of life imprisonment.

Philippine authorities had denied Mr. Singh permission to enter the Philippines on Wednesday and had detained him at Manila airport after a request from the government in New Delhi.

His detention and return to India ended nearly two weeks of desperate efforts to evade arrest which began with a plea for asylum in Britain. He reported to Dubai. There too, he was refused entry but managed to fly to Bangkok where, again, immigration officials ordered him to leave the country.

This time, he traveled to Manila, where he was detained by local officials and handed over to Indian intelligence and police officers Wednesday.



WILD ABOUT HARRY — Diana, the princess of Wales, with her younger son, Henry, at his christening at Windsor Castle. Harry, as he is known, wore the traditional lace robe first used in 1841 by Queen Victoria's first child. The photo is by Lord Snowdon, who was married to the boy's great-aunt, Princess Margaret.

Syria Renews Opposition to Israeli Terms On Departure

Reuters

DAMASCUS — Syria renewed Thursday its opposition to Israeli terms for a withdrawal from southern Lebanon. It said it supported Lebanese demands for "unconditional liberation."

The official Syrian news agency Sana said President Hafez al-Assad gave the message to President Amin Gemayel of Lebanon at talks in Damascus on Thursday, their third meeting this year.

"Assad assured Gemayel that Syria stands strongly by Lebanon in its pursuit of the unconditional liberation of Lebanon from Israeli occupation and against any concession infringing Lebanon's sovereignty," Sana said.

Lebanon, with Syrian support, has rejected Israeli demands for an expanded United Nations peacekeeping role and for deployment of an Israeli-backed militia when Israeli troops end their 30-month occupation.

Sana said Mr. Assad also reiterated support for a long-delayed Lebanese security plan to send the regular army to Israeli frontlines in southern Lebanon.

The Lebanese cabinet approved on Wednesday the latest version of the security plan by the multi-faction military council and asked the army to set a date for carrying it out.

Nabih Berri, the Shiite Muslim leader, was quoted Thursday as saying he would boycott cabinet meetings if the go-ahead was not given by Saturday.

The army's move south to the Awali River was due to have begun on Dec. 2. It has been repeatedly delayed by objections from the Druze and Christian militias which control the area.

The newspaper An-Nahar quoted Mr. Berri, minister of state for the south, as saying after Wednesday's cabinet session that if tangible steps toward carrying out the plan were not seen within three days, his Amal movement would "take a different stand."

Christian radio stations on Wednesday quoted the Phalangist minister, Joseph al-Hashem, as saying he rejected new Druze demands and conditions making the army's role in the Kharrub region subservient to that of the internal security force. The Druze Progressive Socialist Party issued a statement denying that it made new demands.

All major political factions agreed last month that the army should deploy on the coast road to the Awali to stop fighting between the Druze and Christian militias.

The plan also aims to prepare the army to move in after an Israeli withdrawal and forestall a repetition of the sectarian clashes that followed last year's partial Israeli pullback to the Awali.

At UN-sponsored talks Dec. 20 in the border village of Naqurah, Israel threatened to break off talks on withdrawing its troops unless Lebanon agreed to its demands by the next scheduled meeting on Jan. 7.

WORLD BRIEFS

112 Poles Defect to West Germany

FLensburg, West Germany (Reuters) — A group of 112 Poles did not return from a shopping trip to a West German port at Christmas, bringing the number who have jumped ship this year to more than 1,000, West German police reported Thursday.

The tourists left their boat at the Baltic port of Travemünde on Christmas eve and the ship left the next day without them, police said.

Another 800 people have stayed behind on similar shopping trips during the year, police said. In addition, 192 passengers left the cruise ship Stefan Batory last month when it docked in Hamburg.

UN Agency on Palestinians to Cut Staff

VIENNA (AP) — The United Nations Relief and Works Agency announced Thursday that it would eliminate 38 positions at its Vienna headquarters and indefinitely defer pay increases for 12,000 field workers in the Middle East. The agency is expecting a \$60-million dollar deficit next year, and the moves would save about \$10 million, a spokesman said.

The agency provides education, health and relief services to Palestinian refugees in the Middle East. The spokesman, Ron Wilkinson, said senior agency officials would meet Jan. 9 to 11 to discuss further economy measures. He said the meeting was one of two regular policy sessions a year but had been moved forward about a month because of the agency's financial problems.

The agency employs 17,000 people internationally and relies heavily on cash donations from nations, groups and individuals. Mr. Wilkinson said it expected income of about \$165 million for 1985, but needed approximately \$225 million.

Turkey Rounds Up Terror Suspects

ISTANBUL (AP) — Security forces have arrested 107 suspected leftist terrorists in several cities this week in a move to crush underground organizations that rocked the country before a military coup four years ago.

The major move occurred on Tuesday when Istanbul police announced the arrest of 73 suspected militants, belonging to five different outlawed organizations, after a monthlong operation.

The suspects were charged with wounding four soldiers and a policeman in Istanbul in 1980 and with carrying out various clandestine activities, police said. On Wednesday, the regional martial law command based in the Aegean port city of Izmir disclosed the arrest of 22 suspected leftist militants in the provinces of Izmir and Aydin. In a third sweep Thursday, 12 suspected terrorists were captured in the central province of Sivas.

Schroeder Takes a Delayed Shower

LOUISVILLE, Kentucky (AP) — Doctors led William J. Schroeder take a shower Thursday, a comfort for the artificial heart recipient that was delayed by a day when he became too tired after resuming speech and coordination exercises.

Helped by two people, Mr. Schroeder, 52, took his first shower since the heart implantation Nov. 25. An assistant was in the shower with him and the other was outside to check on the portable air pump that powers the mechanical heart through long tubes.

Also Thursday, Mr. Schroeder was to take a few steps in his room without assistance, using a walker. He used it unaided Wednesday for the first time since he suffered three small strokes on Dec. 13. The plans again included exercises to improve his speech, coordination and strength, which were affected by the strokes. He remained in serious but stable condition, with his vital signs normal.

Colombia Probing Cocaine Scandal

BOGOTA (UPI) — President Belisario Betancur launched a military investigation into drug trafficking in the presidential palace Thursday after disclosing that a shipment of cocaine was sent from the presidential press office to Spain.

Alfonso Ospina, chief of staff in the presidential palace, said in a radio interview "the investigation will be taken to its final consequences without regard for which heads will roll." Mr. Betancur has been conducting a nationwide crackdown against the cocaine trade and has extradited suspected drug dealers to the United States.

In Madrid on Monday, the second secretary at the Colombian Embassy, Gustavo Jacome, was arrested and accused of using his diplomatic privileges to smuggle cocaine from Colombia to Spain.

Mandela Said to Spurn Release Offer

JOHANNESBURG (AFP) — The jailed leader of South Africa's banned African National Congress, Nelson Mandela, has spurned an offer for his release to the South African "homeland" of Transkei, the pro-government Afrikaans-language daily newspaper Beeld reported Thursday.

Mr. Mandela and seven other persons, including two other ANC leaders, Walter Sisulu and Govan Mbeki, were jailed for life in June 1964 for sabotage and "furthering the aims" of the Communist Party.

The Congress, South Africa's most prominent nationalist movement, was banned in South Africa in 1960. The offer and release to an "independent homeland," according to Beeld, also covered Mr. Mbeki and Mr. Sisulu.

For the Record

Uruguayan soldiers have established a camp in Antarctica as part of the country's bid to join the 14 nations that oversee conservation and other interests on the continent, a government institute in Montevideo said Wednesday.

Edgard Pisani, France's high commissioner on the Pacific island of New Caledonia, said Thursday he would put forward two plans for the territory's future on Jan. 5 aimed at enlarging the "zones of compatibility" between separatists and anti-independence activists.

Rescue guerrillas are suspected of shooting to death the owner of a bar in the northern Spanish town of Bermeo. Officials said no arrests had been made in the slaying Wednesday of Miguel Castellanos, 47, (Reuters).

U.S., Israeli and Egyptian representatives will meet in two weeks to discuss deploying a multinational force in the disputed border area of Taba, the Israeli Army radio reported Thursday.

Warsaw Pact leaders are scheduled to meet in Sofia in the middle of January, the Bulgarian news agency reported. The meeting of the seven-nation Warsaw Pact Political Consultative Committee will be the first since January 1983.

Four Polish Security Agents Go on Trial for Killing Priest

(Continued from Page 1) The task of abducting him on the road back to Warsaw.

Lieutenant Pekala said they took military equipment, including hand grenades, two radio transmitters, a traffic policeman's uniform and fake documents, in case they were stopped by police patrols.

The official PAP news agency dropped all reference to the ranks of the four accused in its account of the opening session. They all wore civilian clothes.

The agency described Captain Piotrowski as the head of a section at the Interior Ministry and Colonel Pietruszko as the deputy head of a department. The department in which they worked has not been officially identified but is thought to have dealt with religious affairs.

Leader Under Pressure Robert Gillette of the Los Angeles Times reported earlier from Warsaw.

A senior member of Poland's ruling Polish United Workers' Party, General Mielowski, who served briefly as interior minister in 1980 and 1981, has not been publicly accused of complicity in the case. According to one version of the reports circulating privately within the party, the trail of responsibility points toward General Mielowski but a gap in the circumstantial evidence exists between General Mielowski and a lower level of authority. No further details were available.

Radical Changes Mark China's 'New Revolution'

(Continued from Page 1)

keep whatever they can produce beyond a quota set by the state.

The success of this "responsibility system," which sent average peasant incomes soaring 130 percent in five years, exposed the backwardness of the rest of the Chinese economy.

By almost any criterion, the new "responsibility system," which lets peasants who produce more earn more, has been a success. Since the policy was announced in 1978, China's output of grain, including rice and potatoes, has climbed nearly 5 percent a year to reach a record 387 million tons last year.

And now that the 800 million peasants are no longer forbidden to find ways to earn money on the side, their average income has more than doubled since 1978 to reach 310 yuan (about \$117) a person in 1983.

According to the government, 30 percent of peasant families have built new homes in the six years since the changes began. Growing stories in the press tell of farmers who are buying telephones, pianos, trucks and even crop-dusting aircraft and computers. The Beijing Daily reported this fall that peasants in some areas had amassed as much as several hundred thousand yuan — more than \$100,000 — in their bank accounts.

Yet there remains another, bleaker side of rural China rarely shown to foreigners, where peasants still live in mud-brick houses with earthen floors and oilpaper stretched across the windows. They plow with shared draft animals, go barefoot in patched denims, pull carts themselves and eat millet or sweet potatoes cooked over fires of dried grass or manure.

The government is concerned that the gap between the poor and the well-to-do not lead to a polarization between rich and poor peasants.

The press has criticized "the red-eyed disease" of envy by peasants who are falling behind. There have been reports of successful farmers being forced by jealous villagers to share their tools, fertilizer, and even output. Last July, a newspaper told of a woman in Jiangsu, one of the richest provinces, who poisoned her neighbor's ducks because she resented his prosperity.

Land contracts to peasants in poor areas are to be increased from the maximum of 15 years in most of China to 30 years. More flexible policies will let peasants choose the best methods for working their land. The government also promised to increase investment in less-developed areas and to allot funds for five years to improve road and water transportation.

This year's record harvest, already estimated at 400 million tons, has so swamped the country's storage and transport systems that the state is buying grain and then paying peasants to store it at home. Factories cannot turn out enough consumer goods to soak up the higher earnings of the farmers.

This has led to the new wave of urban changes that Mr. Deng says must be carried out so as not to obstruct rural progress. Under a party directive issued in October, unessential products are being exempted from central planning, factory managers are getting more authority, and their enterprises must compete in the marketplace.

The government identity of state corporations is being peeled away from their economic functions. Even the erratic pricing system will be adjusted to phase out costly state subsidies for food, clothing, and rent.

After the directive was issued, the People's Daily, the party newspaper, called it a scientific blueprint for modernization. It recalled that during the changes in the rural structure "our every step forward must be with obstruction from habitual, ideological prejudice within the party." The paper predicted that changes in the urban structure would "inevitably meet with this problem."

Yet China has already undergone a transformation that could hardly have been anticipated when Mao died eight years ago. The change goes beyond the new stress on light industry, now growing by more than 11 percent annually, or the 300,000 motor vehicles that China expects to have produced this year.

China has scrapped its militant self-reliance to obtain over \$8 billion in foreign investment from Western countries, Hong Kong, and Macao. Under Mr. Deng's open-door policy, foreign trade exceeded \$35 billion in total turnover in the first nine months of 1984. China also plans to dip into its substantial foreign currency reserves, now reckoned at nearly \$16.5 billion, to buy more than \$14 billion worth of foreign technology in the next few years.

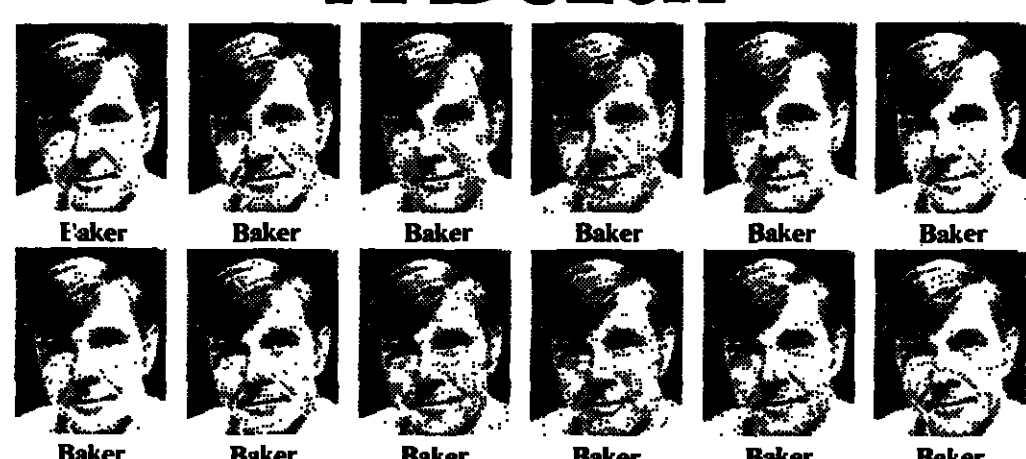
The toughest struggle has been waged against a lingering contempt for people known as "intellectuals" — a description applied to anyone with a higher education. Mr. Deng said recently that the proper treatment of intellectuals who had talent to offer the country was the most important aspect of the new urban changes.

Almost half of the Communist Party's 40 million members are people who joined during the Cultural Revolution, and they have resisted admitting educated Chinese for fear the party's proletarian character would change. A commentary by the official news agency Xinhua acknowledged that the party's current policy of taking in more educated candidates "has never been thoroughly implemented" and urged that party secretaries who continued to discriminate against intellectuals be ousted.

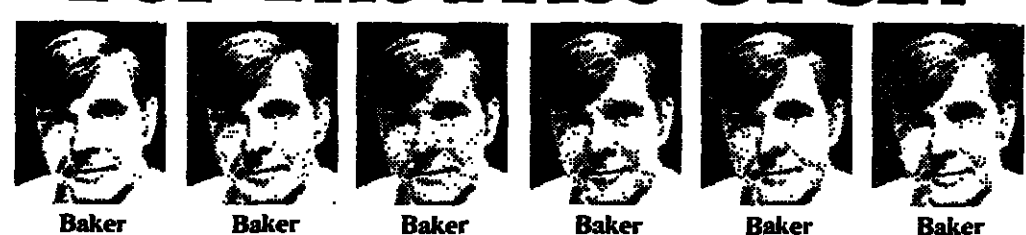
Hu Yaobang, the party chief, has attributed the slow development of education in China to "the tendency of the party to look down on education and knowledge."

Next: The role of ideology.

A Dozen



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Reagan
Year's I
On Pay
For Me

WASHINGTON
The White House
said today that
President Reagan
will not return
from his trip to
Europe until after
Christmas.

Reagan's trip to
Europe is expected
to last about two
weeks. He will
visit France, West
Germany, Italy and
Spain.

The president's
departure for Europe
will be delayed
until after Christmas
because of the
holidays.

Reagan is expected
to leave for Europe
on Monday, Dec. 31.
He will arrive in
Paris on Tuesday, Jan. 1.

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Reagan Plans Year's Freeze On Payments For Medicare

By Spencer Rich
Washington Post Service
WASHINGTON — The Reagan administration will ask Congress for a one-year freeze in Medicare payment rates for hospitals and doctors, with no allowance for inflation, as part of its plan to cut domestic spending in fiscal 1986, sources said Wednesday.

Earlier, the administration, in documents sent to Capitol Hill, had projected a freeze on payments to doctors but had planned to permit an inflation-adjusted increase in the rates hospitals receive for treating Medicare patients.

Now, however, the administration has decided to freeze hospital rates as well as doctors' rates.

Overall, the Medicare proposals would reduce program outlays by about \$3 billion in fiscal 1986 and possibly as much as \$19 billion to \$20 billion over the fiscal years 1986 to 1989. Fiscal 1986 begins Oct. 1, 1985.

The budget also is expected to propose an increase in Medicare patients' monthly premiums for the program; an increase in the \$75-a-year deductible that Medicare patients must pay under the doctor-insurance program before Medicare begins picking up the bill; and a reduction of subsidies to teaching hospitals.

However, a major change in the way Medicare reimburses hospitals for capital investments, which would have limited payments for expansion, probably will not be included in the budget, sources said, but will be proposed later in the year.

Among the major changes expected to be proposed by President Ronald Reagan are:

- The rates Medicare pays hospitals for each patient admitted would be frozen at current levels for fiscal 1986 instead of being increased to cover inflation. In fiscal 1987 and 1988, they would be allowed to rise to keep pace with the inflation rate for the so-called medical market basket, a package of items that hospitals buy. The market basket increase usually runs higher than overall inflation in the economy. Fiscal 1986 savings: \$2.03 billion.
- Under the new prospective payment system for Medicare voted by Congress in 1983, hospitals are no longer paid on a per-day basis for the care of Medicare patients. Instead, the government sets fixed rates in advance for each different type of illness, covering the entire stay. The hospital does not receive anything extra if the patient is kept longer, so there is no incentive to pile on extra days that would increase Medicare payments.
- Under Medicare, the hospital must accept the government payment as its full payment, although when the patient receives something extra that Medicare does not cover, for instance, a private room, instead of semiprivate, the patient may be billed separately.
- Rates paid to doctors for various Medicare services would also be frozen at current levels without any inflation increase. This would be the second such freeze; Congress has already voted a freeze for the 15 months started July 1, 1984. Fiscal 1986 savings: \$600 million.

Medicare, the program of health insurance for the elderly, is by far the largest medical program in the United States, with estimated outlays of \$68 billion in fiscal 1985 for the care of 30 million aged and disabled Social Security beneficiaries.

Up Terror Suspects

WASHINGTON — The Reagan administration has upped the number of suspected terrorists to 15, according to a report by the Justice Department. The report, which was part of a larger document on terrorism, said that the number of suspected terrorists had increased from 10 in 1983 to 15 in 1984. The report also said that the number of suspected terrorists had increased from 10 in 1983 to 15 in 1984.

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President Sandro Pertini of Italy, right, and Renzo Imbeni, the mayor of Bologna, attending the state funeral in Bologna of the 15 persons killed in the train bombing.

Pertini Attends State Funeral for 15 Killed in Train Attack Near Bologna

BOLOGNA — Italy held a state funeral service on Thursday for the 15 persons killed by a bomb on a train near here on Sunday.

The coffins of the victims were not at the service in Bologna's St. Petronius Basilica, which was attended by President Sandro Pertini of Italy and other political leaders. Relatives of the victims preferred private burials in their hometowns.

In a homily, Archbishop Giacomo Biffi of Bologna declared, "Bologna is tired of having its name connected with these outrages. We ask that, at long last, the assassins be identified and brought to justice."

After the service, the city's Communist mayor, Renzo Imbeni, charged that the bombers enjoyed the protection of Italy's state apparatus. In response, the crowd chanted, "We want justice."

Mr. Imbeni said that investigators still did not know the identity of those behind the bombing of the crowded train in a tunnel south of Bologna, despite numerous claims by political extremists.

"But we know they could kill," Mr. Imbeni said. "Because this terrorism by massacre goes unpunished."

The mayor said that 140 persons had died since 1969 in five bomb attacks attributed to neofascist groups, but that no one had been found guilty of the attacks.

Those who placed the explosives in Brescia, Milan, and in three railroad attacks near Bologna had escaped "because there was complexity and protection within the state apparatus," Mr. Imbeni charged.

Last month, a magistrate in Rome indicted four former officers of the secret service and two civilians on charges that included the possession of explosives. Judicial sources say that investigators believe the six tried to mislead inquiries into the 1980 bombing at Bologna's railroad station by trying to implicate a rightist West German organization. Eighty-five persons were killed in the explosion.

But the sources said that investigators believed the explosion Sunday was in fact the work of rightist extremists who had claimed responsibility for it and for two previous railroad bombings in the Bologna area.

Despite the investigators' suspicion, Interior Minister Oscar Luigi Scalfaro said in newspaper interviews published Thursday that police were also looking into the possibility that foreign terrorist groups or the Mafia were involved.

Three neofascists were acquitted of a 1974 bomb attack that killed 12 persons on a train in the same tunnel. No one has been brought to trial for the 1980 explosion at the Bologna station.

U.K. Arrests 6 Said to Plot IRA Bombing On Shoppers

LIVERPOOL — British police said Thursday that they had arrested six men under Britain's Prevention of Terrorism Act. But they refused to comment on a report that the arrests thwarted an Irish Republican Army bombing conspiracy possibly aimed at holiday shoppers.

The six were detained Monday in this northwest England port city and "certain items were taken away for forensic examination," a police spokesman said.

But he declined to identify the men, describe the circumstances of their arrest or say what items had been confiscated.

The London Daily Mail reported Thursday that the arrests were connected with a major police operation that it said is believed to have thwarted a mission by Irish terrorists to plant bombs on the British mainland.

"Several pounds of suspicious substances were also seized," the paper said. It added that "forensic tests are due to be carried out today but police are almost certain that the material is high explosive."

The newspaper noted that Liverpool has a large Irish immigrant population and that IRA operatives have used the port to enter mainland Britain in the past.

The Daily Mail also noted that the arrests came "just before the big sales are due to bring millions of shoppers crowding into city centers, a perfect target for any terrorists."

A bomb outside Harrods department store in London on Dec. 17, 1983, during the Christmas shopping rush, killed six persons and injured 94. The Irish Republican Army said that IRA "volunteers" were responsible.

An IRA bomb narrowly missed killing Prime Minister Margaret Thatcher and members of her cabinet when it exploded at the hotel they were at during the Conservative Party's annual conference at Brighton on Oct. 12. Five people were killed. One of the 31 included the trade secretary, Norman Tebbit.

The Daily Mail said that Home Secretary Leon Brittan, the government minister responsible for police and security, agreed Wednesday to sign an order under the Prevention of Terrorism Act extending to seven days from two days the period that police can detain suspects without formal charges.

Belgian Police Make Little Progress In Search for Anti-NATO Bombers

By Steven J. Dryden
International Herald Tribune
BRUSSELS — The search for an underground group carrying on a "war against NATO" in Belgium has become a major challenge for authorities here seeking to end its three-month bombing campaign.

Belgian police have made no arrests and apparently little progress in identifying the origins of the group, which calls itself *Cellules Communistes Combattantes*, the Fighting Communist Cells.

The group's campaign has escalated from attacks in October on multinational companies with crude explosives made from pressure cookers to a coordinated series of bombings in southern Belgium earlier this month. This series knocked out a major branch of the emergency fuel pipeline maintained by the North Atlantic Treaty Organization.

With each new attack, more theories about the group appear. Some Belgian officials speculate that the group may have links to the French terrorist group Direct Action. Other officials note that the Belgian group, when claiming responsibility for its attacks, has quoted with approval the communiqués of the Red Army Faction from West Germany, another anti-NATO group.

In one of its communiqués, the Belgian group said its "war against NATO" was being pursued in other nations by "fighting Communists." Belgian investigators have met with their French and West German counterparts but so far have not revealed any firm evidence of collaboration between the French, German and Belgian terrorists.

Several Belgian newspapers and magazines have suggested that despite its Marxist rhetoric, the Fighting Communist Cells may really be an extreme rightist group aiming to discredit the left and bolster the government's police powers.

"It's all very mysterious," said one Western diplomat. The group "appears to have no existence outside of these isolated acts of sabotage."

NATO has tightened security at its headquarters outside Brussels, where two of the bombings took place. But one alliance official commented, "we'd feel more comfortable if we had more information" about the group.

One of the bombs damaged offices of Honeywell-Europe, a U.S. defense contractor located a quarter mile (400 meters) from the entrance to NATO's headquarters.

Foreign terrorists have often used Belgium as a combat zone in recent years. But the country has not suffered from the domestic political violence that has plagued other West European governments.

The Fighting Communist Cells have shown annoyance with the tranquility in Belgium. The group has said that it wished to launch the "armed political military struggle in this country, which until now has been too little touched by the struggle for communism."

Another statement noted that Belgium has a "limited but central place" in the "imperialist military machine" as evidenced by the NATO decision to locate both its political and military headquarters on Belgian soil.

Prime Minister Wilfried Martens of Belgium, following the October bombing of his office in the provincial capital of Ghent, warned that the unusual attacks threatened political liberties in Belgium.

"Belgium has always been a model of democracy," Mr. Martens said. "All tendencies have been allowed freedom of expression. This tradition should not be put into danger."

A few days later, police raided more than 100 homes and offices searching for evidence and suspects. Fifteen persons were taken in for questioning but all were quickly released.

The police action stirred up a political controversy because all the targeted individuals and groups were from the left.

At the same time, public impatience has been growing over the government's inability to stop the bombings. The Brussels newspaper *Le Soir* said recently that the group's ability to attack with "impunity" showed the "powerlessness" of the police.

Following the pipeline bombing, Justice Minister Jean Gol said 250 more police officers would be hired in 1985 to help counter terrorism.

Unlike many terrorist groups in Europe, the Belgian group has avoided such tactics as kidnapping or bombings of public areas that could endanger life.

Each target has had a direct or symbolic link to NATO. The attacks began with bombings against three firms that supply parts for NATO's cruise and Pershing-2 missiles. The second wave of bombings was against offices of the Christian Democratic and Liberal parties, members of the government coalition that has supported deployment of cruise missiles in Belgium.

The third set of targets has so far included military air control antennas and the NATO pipeline.

Bonn Seeks Inclusion in '45 Tribute

By James M. Markham
New York Times Service
BONN — Making elaborate diplomatic and domestic soundings, Chancellor Helmut Kohl and his closest aides are trying to make sure that West Germany is conspicuously included in 40th anniversary ceremonies in May marking the Nazi surrender and the end of the war in Europe.

"What we want to avoid at all costs is another Normandy-like last summer, with all the Allies on the beaches and us left out," one aide said, referring to ceremonies in France last June commemorating the 40th anniversary of the Normandy landings. Mr. Kohl was gently rebuffed when he sought to be included at Normandy.

Mr. Kohl is said to be deeply concerned about the May 8 anniversary in part because, two days later, a crucial election will take place in West Germany's most populous state, North Rhine-Westphalia. A Normandy-style humbling would not help the image of his Christian Democratic Party.

The chancellor and his aides, in conversations with Washington, Paris and other capitals, are said to have stressed the importance of not alienating West German opinion.

Alois Mertes, a minister of state in the Foreign Ministry, said, "The most important thing is that one should think of the young German generation — that they should be proud of their heritage and made to feel at home in this alliance."

With the anniversary in mind, the Kohl government arranged for an early gathering of the annual economic summit of industrial democracies, which will take place in Bonn on May 2-4.

U.S. diplomats said Bonn and Washington are also discussing the possibility of a visit to West Germany by President Ronald Reagan after the summit meeting.

Mr. Kohl, in a television interview, said that President François Mitterrand of France had assured him "that the French Republic will not participate in anything that would wound the souls or hearts of our German friends."

Mr. Kohl and Mr. Mitterrand met in September at Verdun after the embarrassment over Normandy. In a gesture of friendship, they clasped hands where French and German soldiers had killed each other by the hundreds of thousands in 1916.

Bonn is also concerned that the Soviet Union might exploit the anniversary for further propaganda attacks against West Germany.

Without being provocative to Communist authorities in East Berlin, the Kohl government seems eager to keep alive the awareness that the end of the war, as Mr. Mertes said, "marked the end of one dictatorship in Germany but the beginning of another."

U.S. Mailman Is Rehired After Unstamped Greetings

DETROIT — A rural mail carrier who was fired for delivering 540 of his own unstamped Christmas cards to people on his route got his job back after the U.S. Postal Service had a change of heart.

The reinstatement of the mail carrier, Frank DePlanche, 47, was announced Wednesday by William Smiley, employee and labor relations director for the postal service in Michigan, following complaints from his wife, Marie DePlanche, his union and the public.

Mrs. DePlanche said the dismissal had caused him enough stress to require hospitalization.

"We have taken into consideration Mr. DePlanche's 29 years of postal service, and therefore his proposed discharge is being reduced to a five-day suspension," Mr. Smiley said at a news conference.

"In addition, he will be required to pay the postage which he should have paid in the first place," Mr. Smiley said. That amounts to about \$70.

Mr. DePlanche was told he would be fired Jan. 9 for delivering the cards.

"The postal service was alerted to Mr. DePlanche's conduct by one of his customers, who wrote a letter of complaint," Mr. Smiley said. The postal service has no plans to investigate claims that other mail carriers deliver Christmas cards to their customers without postage, said the postal official.

"We don't generally go out looking for problems," Mr. Smiley said. Tom Griffith, president of the National Rural Letter Carriers Association, said Wednesday he believes it is "not uncommon" for mail carriers to deliver unstamped Christmas cards to their customers. Rural mail carriers become part of the family over the years, Mr. Griffith said in Washington. Sending Christmas greetings would flow from their close relationship with the people on their routes.

Mr. DePlanche, who for 12 years has worked out of the post office in Brighton, 40 miles (65 kilometers) northwest of Detroit, was hospitalized for stress Monday.

That same day his wife donned a Santa Claus suit and picketed the Brighton post office with a sign comparing the postal service to Charles Dickens's character Scrooge.

Mr. DePlanche's firing drew a strong public response in a column in the Detroit Free Press that invites readers to phone in opinions on public issues.

The newspaper said that 98 percent of the 1,960 callers said Mr. DePlanche should be reinstated.

Singapore to Quit UNESCO, Cites Other Priorities

PARIS — Singapore will withdraw from UNESCO, its ambassador to France said Thursday.

David Saul Marshall, who is also the permanent representative to the United Nations Educational, Scientific and Cultural Organization, said the decision does not indicate either disagreement with or criticism of the body.

"We have handed in our notice of withdrawal. We're a small country and we've got... priority objectives for our limited resources," Mr. Marshall said.

Singapore is the third nation to decide to withdraw from UNESCO. A year's notice is required before withdrawal.

The United States is pulling out of the 161-nation organization at the end of this year. Its decision followed charges that UNESCO was too political, poorly managed and backed programs contrary to the interests of Western nations. Britain has also announced that it would withdraw at the end of next year unless reforms are made.

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Pentecostal Leader in Soviet Reported to Be Under Arrest

By Celestine Bohlen

Washington Post Service

MOSCOW — Authorities in the Soviet Far East have arrested the pastor of a small congregation of ethnic German Pentecostals after parents in the group took their children out of Soviet schools, according to sources in Moscow.

Pastor Victor Walter, 34, was one of three men arrested Dec. 10 in Chuguyevka, northeast of Vladivostok, near the Sea of Japan, according to travelers reaching Moscow recently. The other two were later released but Pentecostals sources said Mr. Walter, a former machinist with nine children, is still being held on charges of providing religious education to children.

Eight Pentecostal families reportedly decided jointly to take 27 of their children out of the local schools after the youngsters reported that they were harassed, and in some cases beaten up, by schoolmates who taunted them for their religious and ethnic backgrounds.

The parents notified authorities and claimed they could educate their children on their own. The Soviet Union takes a hard line against any attempt to take children out of school, particularly if there is a religious motive.

The decision to remove the children from school and the subsequent arrests came toward the end of a one-month hunger strike by members of the Pentecostal community, who have been pressing for almost two years for the right to emigrate from the Soviet Union.

The group of Pentecostals moved to the Far East several years ago from central Asia, where they claimed they had been frequently harassed on account of their evangelical religion. Most of the families have been in Russia for more than two generations and many no longer speak German, but they say that they want to emigrate to West Germany.

Sources said that the children were singled out in the schools for

additional atheistic education and that they began to be taunted by schoolmates who called them fascists and "brown pestilence." More recently, critical articles have appeared in the local press.

In February 1983, five couples were threatened with being charged as unfit parents, which if pressed could lead to their being forcibly separated from their children. No such charges have been brought.

But shortly after the official warning, the entire community applied to emigrate to West Germany where they say they have invitations from relatives. When they received no reply by September 1983, they went on their first group hunger strike which lasted 10 days.

They threatened another hunger strike in January 1984, but authorities dissuaded them, promising that in a few months they would be allowed to leave, family by family, sources said.

But in April 1984 they were told all their applications had been rejected. When they again turned in their Soviet citizenship papers, several of the men in the group and some of the women were fined 400 roubles (about \$500) each for failure to have proper documents.

In September, the group went ahead with a second hunger strike, this time for a month. Drinking only mineral water, the average adult lost 20 pounds (nine kilograms), and one 35-year-old man lost 32 pounds, sources said.

As they weakened, many in the community had to stay home from work and by the time the hunger strike was over on Oct. 14, 24 had been fired, leaving the community with only seven working members.

By the end of their most recent monthlong hunger strike, which began Nov. 15, only one of the Pentecostals — a refrigerator repairman — still had a job. The others were surviving on what they could grow and the few animals they kept as livestock, sources said.

Few of the estimated 30,000 Pentecostals and Baptists who have applied to emigrate in the last 15 years have been successful.

The one celebrated exception was the Vashchenko family, from Siberia, who pushed their way past Soviet guards into the U.S. Embassy in June 1978, seeking asylum. The family was finally allowed to emigrate in 1983.

Estimates of the number of Pentecostals in the Soviet Union vary from 125,000 to 300,000. Officially, 33,000 are registered with the state, but there are many more who refuse to abide by the law governing religion here.

Chernenko Reappears At Moscow Ceremony

The Associated Press

MOSCOW — President Konstantin U. Chernenko, whose absence Monday from the funeral of a Politburo member prompted renewed speculation about his health, appeared at a Kremlin ceremony Thursday, Tass reported.

The official news agency said that Mr. Chernenko, 73, awarded medals to a group of prominent Soviet writers.

The Soviet president, who has been breathing difficulties thought to be caused by emphysema, last appeared in public Saturday, when he led a Politburo delegation to the building where the body of Defense Minister Dmitri F. Ustinov was lying in state.

Mr. Chernenko had difficulty walking that day and appeared in frail health, witnesses said.

Then he did not attend Marshal Ustinov's funeral, which was conducted in freezing temperatures on Red Square. A Soviet official at the funeral said that the president "seems to have taken ill."

Mr. Chernenko disappeared from public view for nearly two months last summer, but reappeared Sept. 5 at a Kremlin awards ceremony. He was tanned and looked relatively fit.

According to a transcript published Thursday by Tass, Mr. Chernenko gave a brief speech to the

writers' group after awarding the Order of Lenin to five writers: Georgi M. Markov, Anatoli A. Ananov, Anatoli S. Ivanov, Sergei V. Sartakov and Mikhail B. Khramchenko.

■ No Turning Point Seen

Vladimir V. Zagladin, deputy chief of the party's international department, said Thursday that it would be premature to see next month's U.S.-Soviet talks in Geneva as a turning point in relations between Washington and Moscow, Reuters reported from Moscow.

But Mr. Zagladin, the deputy chief of the Soviet Communist Party's international department, said that Moscow believed there was a chance to improve U.S.-Soviet relations, if Washington showed willingness and matched that willingness with actions.

Writing in the daily Sovetskaya Rossiya, the senior Soviet official said that when Secretary of State George P. Shultz and Foreign Minister Andrei A. Gromyko met on January 7 and 8, their discussions would be exploratory and could not be called real negotiations.

"It is not known how it will go," Mr. Zagladin said of the meeting. "That it is why talk of a 'turning point' heard in some places is not justified."



Three Afghans appeared at a press conference in Washington. From left are: Mohammed Badal, rebel commander in Kunduz province; Mohammed Nassim, whose fingers were blown off by a booby trap; and Nazam Khan, rebel commander in Paktia province.

Afghan War: A Grim Soviet Account Anniversary Report Contrasts With Usual Heroic Dispatches

By William J. Eaton

Los Angeles Times Service

MOSCOW — A grim account of the Soviet Union's five-year war against guerrillas in Afghanistan has been published in Izvestia.

The government newspaper said dozens of bands of anti-government fighters roam mountainous Ghor province in central Afghanistan while Afghan government forces and a Soviet detachment control only the provincial capital of Chaghcharan and one other place, which the report did not name.

The report, published Wednesday on the eve of the fifth anniversary of the Soviet intervention in Afghanistan, contrasted with typical dispatches that depict Soviet forces in a more heroic role.

Moscow sent large numbers of Soviet troops into Afghanistan on Dec. 27, 1979, removed Hafizullah Amin as president and installed Babrak Karmal. There are now an estimated 115,000 Soviet troops, always referred to here as the "limited Soviet contingent" in Afghanistan.

The Izvestia writer said heavy machine-gun fire raked a military plane as it landed at Chaghcharan recently and quoted the local Soviet military commander as saying:

"How unwise of you to come so far. It's very unstable here."

As he spoke, the Izvestia report said, Akran Garan, a nearby town, was virtually under siege by about 1,000 guerrillas.

"The garrison had used up almost all of ammunition and suffered serious casualties," the account said. Finally, the local Soviet commander decided to resupply the outpost by helicopter rather than abandon it, the report said.

■ Reagan Condemns Russia

President Ronald Reagan said Thursday that the Soviet occupation of Afghanistan ranks alongside the Japanese attack on Pearl Harbor as a "day of infamy." The Associated Press reported from Washington.

The president, headed for a vacation in California, said that "a president once called a certain day a day of infamy. I guess that's exactly what this is also. The anniversary of a day of infamy."

■ Russians on Alert

The Soviet Union has reportedly put its troops on alert to guard against rebel attacks, while an Afghan guerrilla leader vowed to step up fighting in 1985, United Press International reported from Islamabad, Pakistan.

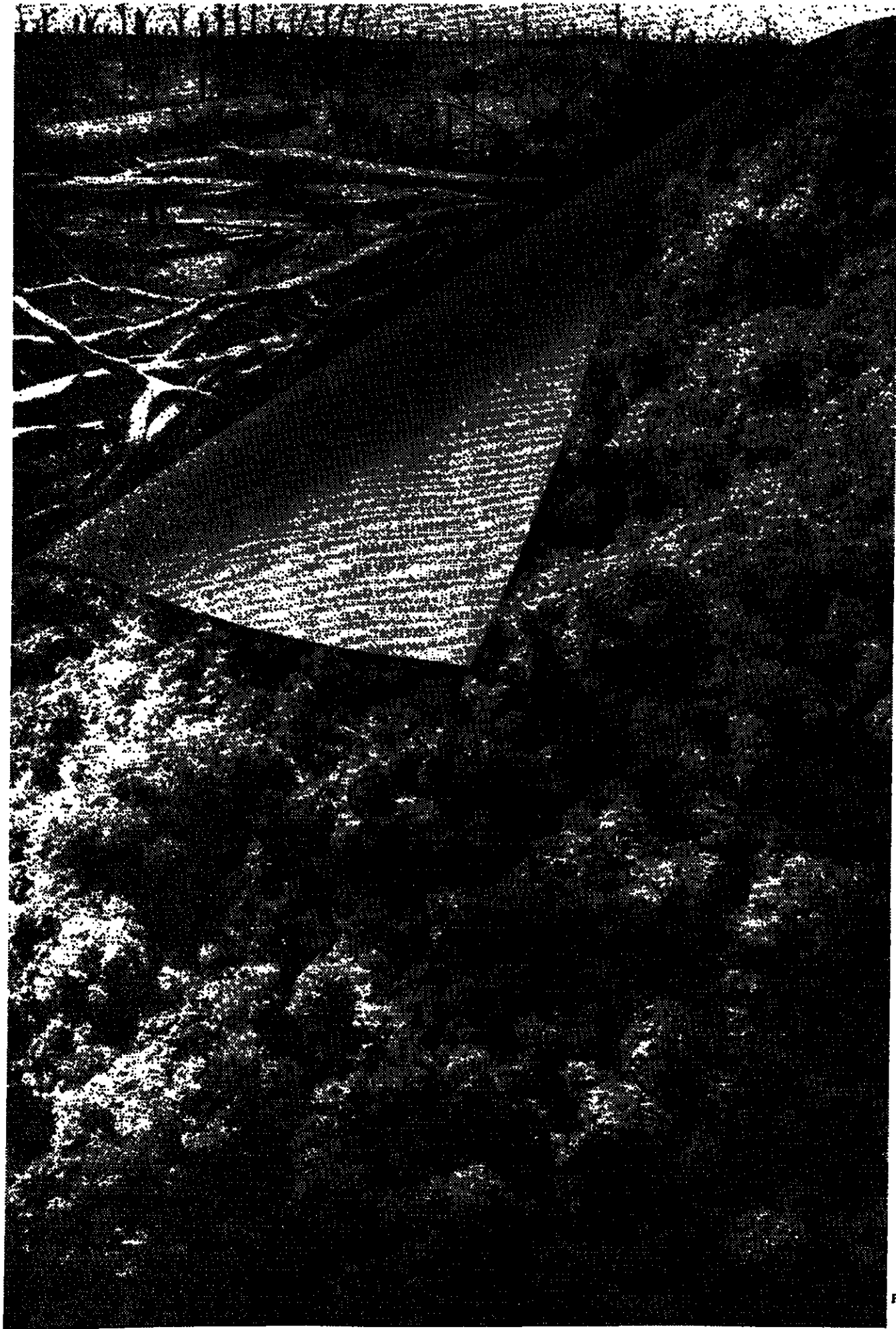
"The coming year will be a very sensitive one because we are planning to launch massive attacks on Kabul and other parts of Afghanistan," Gulbuddin Hekmatyar, head of an Islamic Front rebel faction, said Wednesday.

Western diplomats, meanwhile, said in Islamabad that security was tightened around Kabul and other key government sites in Afghanistan with the approach of the anniversary.

In Washington, the Federation for American Afghan Action, said Wednesday that between \$380 million and \$400 million had been spent in U.S. arms aid to Afghan rebels, but only \$50 million worth had actually reached them.

■ U.K. Urges Withdrawal

Sir Geoffrey Howe, the British foreign secretary, on Thursday urged the withdrawal of Soviet troops from Afghanistan, but he said "the outlook is not encouraging." The Associated Press reported from London.



Plants have fed the world and cured its ills since life began.

Now we're destroying their principal habitat at the rate of 50 acres every minute.

We live on this planet by courtesy of the earth's green cover. Plants protect fragile soils from erosion, regulate the atmosphere, maintain water supplies for agriculture and prevent formation of deserts. Without plants man could not survive.

Yet, knowing this, we are destroying our own life-support system at such an alarming rate that it has already become a crisis — a crisis for ourselves and an even bigger one for our children.

The figures alone should tell the story — we destroy a tropical rain forest three times the size of Switzerland every year; within 25 years only fragments of the vast Malaysian and Indonesian forests will remain.



Dr. Richard Evans Schultes, director of the Botanical Museum at Harvard University, has spent 13 years in the Amazon jungle collecting the "magic" plants of myth and legend and making them available to Western medicine and science. "The drugs of the future," he says, grow in the primeval jungle.

What we are destroying Much of the food, medicines and materials we use every day of our lives is derived from the wild species which grow in the tropics. Yet only a tiny fraction of the world's flowering plants have been studied for possible use. Horrifyingly, some 25,000 of all flowering species are on the verge of extinction.

Once the plants go, they are gone forever. Once the forests go only wastelands remain.

Photo: (Forest) Bruce Coleman/Brian Coates

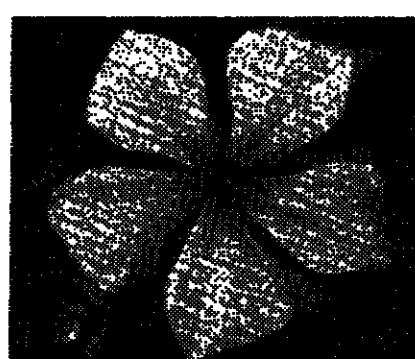


Photo: Mark J. Florkin
Cathartus roseus. Many of the world's children have suffered from leukaemia are now alive due to the properties discovered in the rose periwinkle, which originated in Madagascar where 90% of the forests are already destroyed.

Who is the villain?

There is no villain — except ignorance and short-sightedness. The desperately poor people who live in the forests have to clear areas for crops and fuel, but they are doing this in such a way that they are destroying their very livelihood.

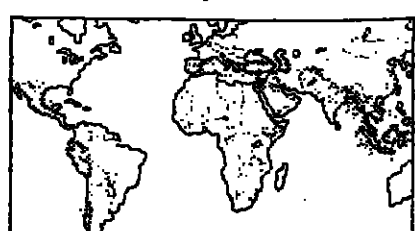
Add to this the way in which the heart is being ripped out of the forests to meet the demand for tropical timbers and we have a recipe for disaster.



Photo: WWF/H. Jungius
Disease-resistant potatoes, obtained by cross-breeding wild potatoes from the Andes with domestic varieties, ensure that Ireland will never again experience the blight disease which wiped out its entire crop, leaving a million people to die of starvation.

What can be done about it? The problem seems so vast that there is a tendency to shrug and say "What can I do?" But there is an answer. There is something that each and every one of us can do.

The WWF Plant Conservation Programme The World Conservation Strategy, published in 1980, is a programme for conserving the world's natural resources whilst managing them for human needs. A practical, international plant conservation programme has been prepared based on WCS principles and is now well under way all around the world.



The Varilov Centres. Named after the Russian scientist who identified them. These are the regions in which our major crop plants were first domesticated. Many of these regions contain wild or semi-domesticated relatives of commercial species which can be cross-bred with crop plants to increase yield and resistance to pests and diseases.

You can become part of it The WWF Plant Conservation Programme is a plan for survival which you can help make a reality. Join the World Wildlife Fund now. We need your voice and your financial support. Get in touch with your local WWF office for membership details, or send your contribution direct to the World Wildlife Fund at: WWF International, Membership Secretary, World Conservation Centre, 1196 Gland, Switzerland.

Save the plants that save us. WWF FOR WORLD CONSERVATION

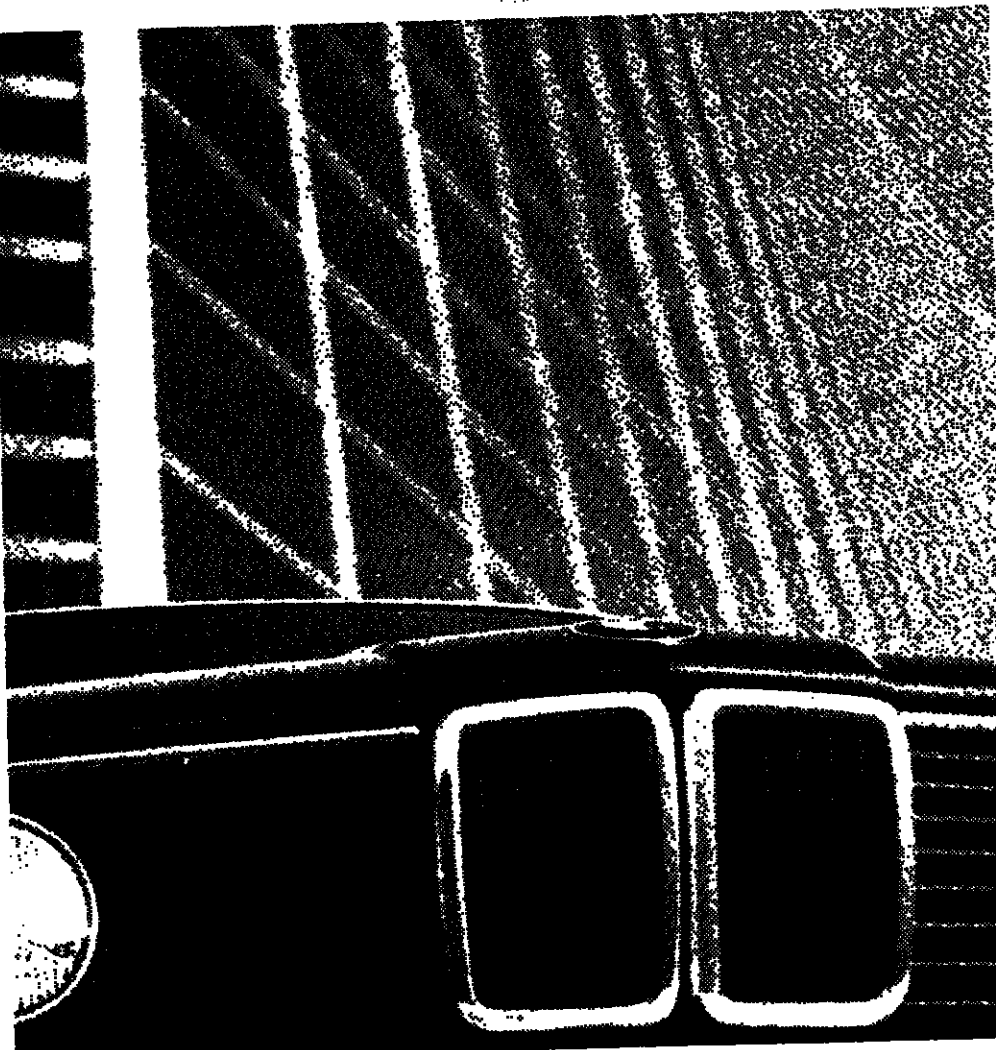
**Which international movement
was one of the most
successful again in 1984?**

**The BMW society of the
world's most demanding drivers.**

1984 was yet again a year of extraordinary success for BMW. Following many exceptional years, another one of significant growth. And this was achieved despite the setbacks created by the weeks' long strike in the Federal Republic. As the result of a singleminded and concerted effort in both the domestic and export markets, BMW succeeded in regaining much of the lost ground and, with a total of 430,000, succeeded in producing and selling more cars than in the previous year. At the same time, the company's turnover has risen yet again, to over 16 billion D-Marks. And 1,500 new jobs have been created, even though — for strike-related reasons — this didn't quite match forecasts.

The world's most demanding drivers profit by BMW. And BMW by them. BMW's positive results can be related, not least, to the enormous vote of confidence given by the large number of new buyers, who have felt that the particularly high demands they make on a car are best realised by BMW. By their decision to opt for the most advanced automotive technologies available, informed and discerning buyers have acknowledged their understanding of BMW's dedication to innovation. Because they have fully appreciated exactly what BMW means by exclusivity. Namely, status through progress, and not for its own sake.

Whoever decides on the car with the more advanced technology, acquires not only greater potential. But also demonstrates a fine appreciation for the signs of our times. As far back as 20 years ago, BMW had already started reacting to the fast-changing parameters of modern motoring — quite voluntarily, without any outside pressures or influences. That's because the belief in concentrating on essentials has always been a cornerstone of the BMW philosophy. And because we have always regarded pioneering technologies as the best possible basis for handling materials and energy more responsibly, and for preserving both our valuable resources and the environment.



That's why, for instance, BMW has always been committed to sensible engine capacities and cylinder numbers, which are in tune with the needs of their time. For years the BMW in-line, 6-cylinder engine has been regarded as the epitome of engine technology. And through the introduction of new, ultra-modern electronics, BMW has given this legendary concept even greater farsightedness and security for the future.

Whoever drives with the new sense of awareness, will discover its ultimate expression in a BMW. No other car manufacturer exploits the

benefits of modern electronics as comprehensively or as consequentially on their standard production cars as BMW. With the aim of not only making motoring more efficient, safer and more comfortable, but also of making it more economy and ecology conscious at the same time. So it's not surprising that BMW had already introduced the world's first computer-controlled engine by 1979. Today, 96% of all BMW cars feature electronic fuel-mix controls. BMW was also the co-developer of ABS, the revolutionary anti-lock braking system, which today is standard on a full 50% of all BMW models.

And again, when it comes to electronic driver information systems, no-one has progressed as far as BMW.

Concentrating on essentials is no limitation. Rather, it's the intelligence needed to anticipate the future. And stemming from this conviction, BMW is dedicated to developing cars, which incorporate new technologies of the very highest standard. For those drivers who share BMW's beliefs. Equally, there's no doubt that BMW's current market position today is directly linked to this philosophy. And both combine to create the optimum basis for ever greater success in the future. Even if it must be accepted that this will never come cheaply. That's why BMW — incidentally, the only car manufacturer you'll find amongst the list of the top ten most research intensive, publicly quoted West German companies — intends to commit the bulk of its exceptionally large investment budget to innovations, designed — and capitalising on our world-wide lead in automotive micro-electronics — to make motoring even more efficient and economical in the future.

Welcome 1985.

In the coming years, BMW will continue to redouble its efforts with all its usual energy and vigour — to the benefit of everyone who, like us, believes in pushing progress to its limits. At the same time, we'd like to thank everybody — whether they be customers, suppliers or co-workers. And we wish you all in 1985, what you have helped us achieve in 1984: much success.

BMW AG, Munich



Herald Tribune

Published With The New York Times and The Washington Post

A Mirage in the Heavens

In his "star wars" speech of March 1983, President Reagan challenged scientists to devise a defensive shield capable of "eliminating the threat posed by strategic nuclear missiles." The overwhelming response of scientists and defense experts is that it cannot be done. But Mr. Reagan will not take no for an answer.

His own senior officials regard the immediate purpose of the "star wars" program as the defense of missile silos and military targets, not cities. That is far different from the total shield Mr. Reagan called for. Yet when the change of purpose is pointed out, he reiterates the program's original goal: "It's not going to protect missiles. It's going to destroy missiles."

Analyses by the Union of Concerned Scientists and the Office of Technology Assessment have explained the unworkability of a missile shield defending the whole country. Former Secretary of Defense Harold Brown has concluded that "there is no realistic prospect for a successful population defense, certainly for many decades, and probably never."

Experts are not always right, even in consensus, and Mr. Reagan's preference for his vision merits a mark for persistence. But he has misunderstood the nature of the challenge posed by a "star wars" defense.

The technical requirements of a defensive shield are not forbidden by the laws of physics. There has been progress with exotic devices of possible use in a shield, such as atomic-powered X-ray lasers. There is technical merit in the idea of "layered defense," with space-based weapons attacking missiles in their

boost phase and in midcourse, and ground-based defenders catching the survivors.

But, unlike the moon landing, which was merely a struggle against the laws of gravity, a "star wars" shield would be vigorously opposed by Soviet countermeasures. The space-based elements of the system would remain extremely vulnerable, the detection and tracking systems would provoke determined efforts at deception and the Russians would strive to increase their offensive missiles to offset whatever protective ability remained.

And the whole intricate network of satellites, computers, missiles and beam weapons would have to work perfectly the first time, since penetration by only 1 percent of the 8,000 Soviet warheads would be disastrous. The delays that accompany a single shuttle launch illustrate the likelihood of unrehearsed success by a multi-component system.

Hence it is no surprise that officials, from the president's science adviser to the Pentagon's chief scientist for the "star wars" program, have been emphasizing "transitional" goals while paying lip service to a total shield as the ultimate goal. These transitional goals differ little in essence from the missile defense schemes that both superpowers renounced in the ABM treaty of 1972 because they threaten the stability of the nuclear balance.

President Reagan cannot be faulted in wishing for total security. But to promise a total shield that has almost no tangible basis in reality is to step from hope to delusion.

—THE NEW YORK TIMES

Lebanon Is Hard to Leave

Israel, eager to end casualties and to put a bad war behind it, had wanted to negotiate its way out of Lebanon. But the Lebanese government, powerless and bound by Syrian high strategy, has made that impossible for now. It is not clear whether the Israelis will return to Naqura in January for another round in their United Nations-sponsored withdrawal talks.

The signs are, however, that they realize that the negotiations are not promising and they must tackle these decisions on their own. Broadly speaking, the Israelis have three choices. One is to do nothing, but the casualties and other costs make this impossible. A second — full unilateral withdrawal — is beyond the capacity of a government that includes as an equal partner a party, Yitzhak Shamir's Likud, unready and unwilling to withdraw its war. That leaves the third choice: partial withdrawal, which is what Prime Minister Shimon Peres and Defense Minister Yitzhak Rabin, both of Labor, are plainly committed to. A cabinet decision is expected before long. If it is not forthcoming, this will mean that Mr. Peres has defaulted on one of his leading campaign promises (the other was to repair the economy), and it will be hard to see why he deserves to remain prime minister.

Why did Syria insist that the Lebanese government stick to the laughable demand that

Israel turn over to the Lebanese army, a puppy dog, all of southern Lebanon down to the Israeli border? Syria calls all the shots in Lebanon and does not explain its reasons. In any event, Damascus remains responsible, in fact if not in name, for what happens in the parts of Lebanon that Israeli forces evacuate. The expectation is that Syrians and Israelis will set up a new series of "red lines" indicating their common intent to treat Lebanon as a buffer between them and to avoid menacing each other's vital security interests. As usual, it falls to American diplomacy to be the go-between.

The withdrawal now being contemplated excludes eastern Lebanon, where an informal "red line" already ensures that Israeli and Syrian forces very near each other remain tightly controlled. The main withdrawal will affect southern Lebanon between the mountains and the sea. It will liberate most of Israel's current Syrian tormenters. It will be up to the Shias, and to United Nations peacekeepers also in the area, to take over the role that the Israelis have played of dampening intra-Lebanese strife and blocking the return of Palestinian gunmen. As a practical matter, the effective performance of these tasks could make possible early Israeli evacuation from the last piece of southern Lebanon.

—THE WASHINGTON POST

Other Opinion

The Nuclear Club Is Crashable

Such is the nature of the nuclear club that unless the current members put their heads together more effectively, the club will get bigger. (Washington and Moscow) share much of the blame for an international climate that yields no control of such destructive weapons and in fact fosters governmental longing for them. The Nonproliferation Treaty of 1970 calls for "negotiations" to find "effective measures" for the cessation of the nuclear arms race "at an early date." The United States and the Soviet Union have done little to comply.

No tight agreement on nonproliferation could reduce tensions between Pakistan and India, or between Israel and Libya. But as long as both superpowers plunge ahead with deployment of more and more nuclear weapons, as long as severely strained relations bar them from bringing political and economic pressure on smaller nations, there is little chance of limiting membership in the club.

If there is one clear consequence of four years of failure in nuclear arms negotiations, for which a deeply divided Reagan administration deserves much of the blame, it is the mindless advance of nations toward membership in the club. Five members now have 50,000 bombs. What's a few more?

—The Baltimore Evening Sun

Evidence that the Iranians are committed to acquiring a nuclear bomb keeps popping up. In January, [Ayatollah] Khomeini reportedly sent a group of Iranian physicists to Europe. In

an interview published six months later in "Le Figaro," the Israeli ambassador to France made a veiled warning: "I am convinced that Khomeini is trying to obtain the means of constructing his own atomic bomb... We have already saved the West from catastrophe by destroying the [Iraqi] nuclear reactor."

How the Iranians might pursue a shortcut to getting the bomb is hinted at in the U.S. Congressional Office of Technology Assessment report (published in September). It notes that "nuclear proliferation in the Middle East is likely to increase during the next decade because new supplier states, such as Argentina, Brazil and India, that are not parties to the Nonproliferation Treaty may be willing to sell sensitive facilities." In addition, Iran may seek nuclear material on the black market. By some accounts that is how Israel obtained its bomb. In June, Judge Carlo Palermo of Italy released a report alleging that a group of international arms traffickers have provided Iran with bomb-grade uranium and plutonium.

—The Nation (New York)

The Carnegie Endowment for International Peace issued a report (in October) asserting that Israel is probably capable of deploying 10 to 20 Hiroshima-size atomic bombs. Leonard S. Spector, author of the study, said that South Africa may have a similar capability. One of the report's most chilling findings is that a nation with the ability and desire to build a nuclear arsenal can now do so without test explosions, thanks to computer simulations.

—The Los Angeles Times



This Way to the Photo Summit: The Emperor Is In

By Joseph Kraft

WASHINGTON — The photo opportunity was invented only a few years ago but already, such is the speed of modern technology, there comes a diplomatic version — the photo summit, to which important leaders of West Germany, Britain and Japan are being exposed.

The treatment consists of an official visit, replete with highly visible marks of personal esteem. The visitors go away beaming. They have not exactly influenced American policy, but the interesting fact is that they do not seem to care.

The stage for the photo summit was set by the landslide election victory in November. The sweep of 49 states staggered the world and raised President Reagan's prestige. Leaders of friendly countries lined up to be seen with the new West Champ. Those with heavy burdens especially sought the solace of his touch.

So it was child's play for the White House staff to invite in only the very best friends. It was equally easy to impose conditions that preserved the lead part for Mr. Reagan while shuffling the visitors among the spear carriers. What ensued has been a paying of tribute by the richest of his vassals to the Emperor of the West.

First came Helmut Kohl of West Germany. A spreading bribery scandal besets the chancellor, his Christian Democratic Party and its partners in rule, the Free Democrats. The

opposition Social Democrats are not immune. So it is easy picking for those radical ecologists-cum-anarchists, the Greens. In a moment of such wobbliness, simply being seen with the Emperor of the West at the White House has a steady effect on the chancellor.

To be sure, Herr Kohl had a few thoughts of his own. He was keen for the Emperor of the West to get together early in a meeting with the Emperor of the East, Konstantin Chernenko. He saw a scheduled session between the two world leaders, George Shultz and Andrei Gromyko, in Geneva on Jan. 7 as a good beginning. He feared, however, that if the dialogue dipped to lower levels it would be lost in a swamp of nasty, technical recrimination.

In all, Mr. Kohl had about 12 working hours in Washington. His message was all but lost in the briefness of the encounter. Mr. Shultz and Mr. Gromyko will both bring to Geneva delegations heavy with expert navy-men. A long journey through the swamps of discord is far more likely than the leap toward the East-West summit Mr. Kohl desires.

Just as short was the visit made by Margaret Thatcher, a couple of days before Christmas to the president's sylvan retreat at Camp David. The prime minister needed those signs of

special favor. She had just come half-way round the world from a meeting in Beijing about thecession to China of the remaining jewel in the crown, Hong Kong. She faces a coal strike at home, a sinking pound and an economy that is not yet singing. So there was reason to lay a weary head on the broad shoulder of the president.

For all her troubles, though, Mrs. Thatcher also had a message. The Emperor of the East had sent his likely successor, Mikhail Gorbachev, on a visit to London before Mrs. Thatcher left for Beijing and Washington. Mrs. Thatcher deduced from their chats that the Russians were prepared to talk about limiting their offensive nuclear missiles if the United States in return restrained its new program for an anti-missile defense based in space — the so-called "star wars" project. So she cautioned Mr. Reagan that "star wars" had best be kept as a research project and not moved to development except after extensive consultation.

A receptive ear seemed to catch that message. Mrs. Thatcher's man at the Court of St. Ronald, Defense Secretary Caspar Weinberger, and Robert McFarlane, the national security adviser, declared that "star wars" was not excluded from the Geneva talks with the Russians. But hardly was Prime Minister Thatcher out of the

country when Secretary Weinberger, prompted by the president, took it back. He said Mr. Reagan "will not give up" the "star wars" program, "or the opportunity to develop it."

Early next week the White House welcome mat will be out in Los Angeles for Yasuhiro Nakasone. The Japanese prime minister has just been re-elected chief of his party after a surprisingly nasty fight. His enemies sit all around him — in the Foreign Ministry, the Finance Ministry and the chief party offices. Rapport with Mr. Reagan is essential.

But Mr. Nakasone also brings words of counsel. He wants the United States to take the lead in keeping the world trading system open. He even thinks it is time to renew some of the trade ties with Russia, ruptured in deference to political feelings in Washington about nasty Soviet doings in Poland and Afghanistan. But he, too, has only a few hours, on Jan. 2, to get those views across.

Which suggests that the visiting leaders are far more interested in being seen with Mr. Reagan than in influencing his policies. The foreigners are talking for the record against the day when they may want to get serious. But for the time being they are giving Mr. Reagan a free hand, and he is probably less constrained by allies than any American president in the postwar period.

Los Angeles Times Syndicate.

Business Is Campaigning Against the Profit Motive

By Robert J. Samuelson

WASHINGTON — The American business establishment has reacted with dreary predictability to the Treasury's plan for tax reform. The proposal, we are told, would clobber corporate profits, reduce investment and damage the economy. Phoney, half-truths at best.

The heavy-handed response illustrates why business does not command public respect on major political and economic issues. People believe, correctly, that businesses speak only for themselves — what's good for Joe's Desktop Computers is good for the country — and therefore are not worth listening to. The result is a political power vacuum. With most industries plugging their own interests, no one speaks for policies that would promote a genuinely healthier business climate.

The tax plan is a case in point. It aims to increase the efficiency of business by reducing the huge discrepancies in tax rates that divert investment from its most productive uses. The proposal has aroused widespread business opposition because it threatens tax breaks cherished by industries as disparate as commercial real estate and electronics.

The plan would cut the top corporate tax rate from 46 to 33 percent; at the same time it would raise the total corporate tax burden 25 percent by eliminating many preferential tax provisions. The central question is whether the rise in total taxes (discouraging investment) offsets the reduction in tax discrepancies (enhancing the efficiency of investment).

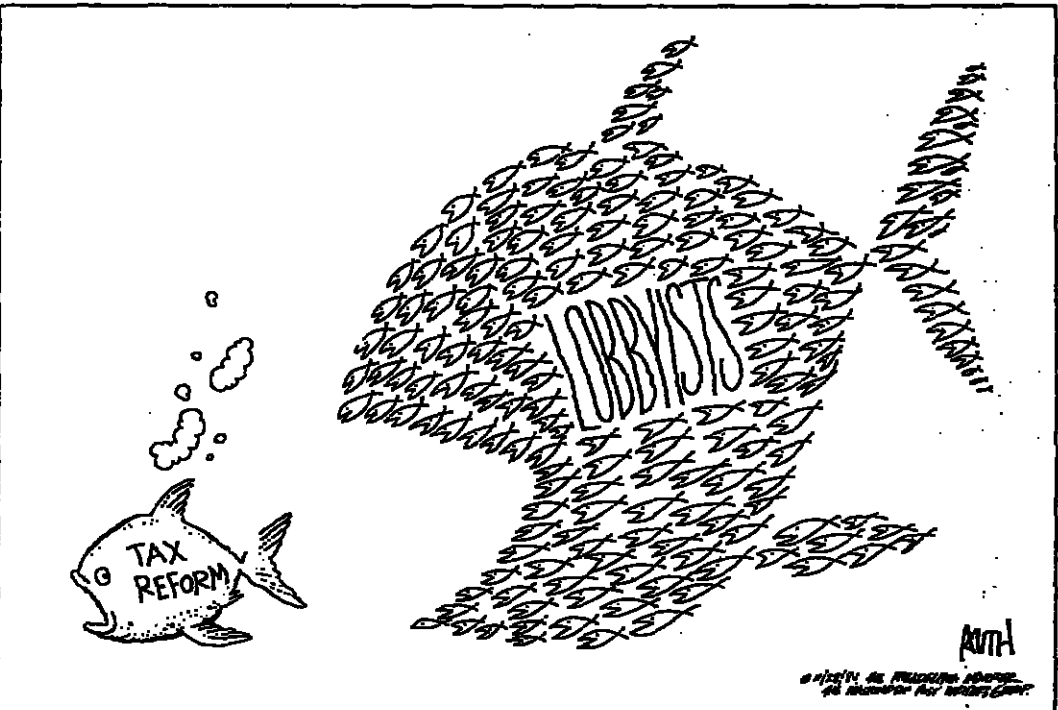
It is hard to know, but I am skeptical of two economic studies — one by Wharton Econometrics, the other by Data Resources — that say investment will suffer. Neither study considered the possible benefits of more efficient investment. Both were underwritten by business groups.

A rebuttal comes from Harvard economist Dale Jorgenson, whose computer model examines efficiency gains. He figures that the Treasury plan would raise GNP in 1990 by about \$110 billion at today's prices, or 3 percent more than would existing law. This analysis is buttressed by the fact that much of the tax increase would fall on a few industries now heavily favored — oil, insurance, banking. Logically, these increases should not cut investment elsewhere.

Strange as it may seem, business opposition to the tax plan amounts to a campaign against the profit motive: most industries are more interested in their familiar tax breaks than in overall economic efficiency.

People see profit as a necessary evil of capitalism without fully appreciating its function. When the profit motive works properly, it directs investment funds and labor to their most productive uses. Consider a computer software firm that earns a pre-tax profit of 20 percent on its investment and a large manufacturing firm that earns 15 percent. The message is that society should devote more of its resources to the software company.

You can imagine dozens of reasons for this. More software might extend computers to dozens of new applica-



tions — from manufacturing control to insurance claims — with huge increases in efficiency. Or maybe there is too much manufacturing capacity. Who knows? The marvel of the profit mechanism is that it automatically signals where investment should go without detailed answers.

Taxes can devastate this benevolent arithmetic. Assume that taxes take away half the software firm's profits but only a fifth of the manufacturer's. The profit signals are reversed. The software firm has an after-tax profit of 10 percent against the manufacturer's 12 percent. Investments are made on an after-tax basis. Now the incentives point to investing where it does the least good.

The tax system bristles with discrepancies because all business in-

come is not taxed in the same way. If you don't think the distortions matter, examine the office-building glut in America. Since 1981 the vacancy rate has jumped from 4 to 14 percent. In part, the 1981 tax law encouraged an office-building boom by enhancing real estate write-offs that would cut investors' taxes on other income. There is a destructive force of waste at work. Ultimately, overinvestment in tax-favored industries will so reduce profitability that even tax advantages will be offset. Perversely, though, many industries are so wedded to specific tax breaks that they cannot imagine life without them.

This explains the apparent paradox of how the Treasury proposal could be good for business even if much of business happens to be opposed to it. Either you believe in the profit motive or you don't.

When we subsidize something, we get more of it than we need — no matter how worthy it sounds. The venture-capital industry, for example, complains that one provision of the tax plan — eliminating preferential treatment of capital gains — would make starting new companies more difficult. But there is no special engineer leaves a job in a large firm to start a new company, it's terrific when it succeeds; when it flops, it's a waste, not only for the individual but also for the old firm that lost a key worker. Risk-taking is good, but many start-ups will fail. There is no more public interest in subsidizing a high failure rate than there is in subsidizing empty office buildings.

The efficiency or inefficiency of business is a great national asset or liability. So the politics of tax reform matter immensely. The Treasury proposal is not perfect and it surely can be improved, but the basic principle of reducing tax considerations in in-

ate diplomacy from defense lies the more basic problem of Japanese self-definition and presentation to the outside world. The chameleon-like qualities of Japanese society and culture have undoubtedly encouraged Japan to seek more than one definition of its international identity.

Officially, the criterion of democracy is foremost: Japan wants to be an integral part of the West. A growing awareness of Soviet military strength, particularly in Asia, necessarily reinforces this priority.

But if Japan is "Western" in terms of alliance, it is "Northern" in terms of economic achievement. Participation in the annual summit conference of the seven leading Western economic powers is proof of success and, as such, particularly appreciated.

A third dimension of the Japanese identity is geographic and increasingly linked to economic considerations. The Pacific Basin is the world's fastest growing economic zone, and Japan tends to promote, especially in its relationship with ASEAN countries, its geographic identity as a Pacific power. At the same time it stands apart, due to a strong sense of superiority and so as to alleviate the historical imperialist stigma.

A fourth dimension stems from a desire to stand off from the West in dealings with the South. Because they were not former colonial powers in the Middle East, a region on which they depend heavily for oil, the Japanese have tried to stand off the West at a time when the West was rejected.

This policy was applied during the 1980 hostage crisis in Iran with a lack of solidarity proved counterproductive for dealings with the United States. The Japanese have lately improved their tactics, although without fundamentally altering their strategy.

In recent conversations in Tokyo I sensed a fifth dimension of Japanese identity, based on culture. Together with China and other countries of the region, Japan shares a culture based on Confucianism and Buddhism. As China modernizes, giving the impression of moving away from communism, this common cultural heritage, combined with the attraction of a technological model, may make the Japanese privileged interlocutors of the Chinese.

In a country of such stark contrasts as tea ceremonies and ceremonial suicide, serene order and exacerbated violence, a multifaceted diplomacy comes as no surprise. But can Japan afford the luxury of ambiguity?

Japan's mastery of diplomacy lags far behind its mastery of technology. The country is slowly entering a transition phase in which the classic contrast between economic giant and political midsize will be an anachronism. Sooner or later the Japanese will have to define in a more explicit and active way their contribution to Asian security and, more broadly, their political role in the world.

The writer, associate director of the Institut Français des Relations Internationales, contributed this comment to the International Herald Tribune.

Los Angeles Times Syndicate.

A \$1 Gasoline Tax Would Solve Big Problems

By Stewart L. Udall

PHOENIX — Is trouble brewing in Washington? That is what one senses, watching from the bleachers here in the desert. Just as a consensus grows that something must be done right away about the gargantuan deficit, a counter-consensus emerges among the political pundits that Congress and the president will perform their usual slow waltz and maybe produce some modest budget cuts some time next summer.

Is there a quick-fix solution? Yes — a simple tax that could be enacted in a few weeks and that, with one bold stroke, would raise close to \$100 billion and halve the annual deficit. A \$1-a-gallon tax should be put on gasoline at the pump. Here are some arguments for such a tax:

It would end America's borrowing binge and give the economy the balance it needs to sustain the current

pace of expansion. It would protect millions of jobs that would be lost if the economy faltered. It would put the United States back on a path of living within its means, and help reduce the monstrous trade deficit. It would enable Americans to share some of our remaining oil with our children. It would safeguard U.S. national security by placing a new curb on the power of OPEC.

Is such a tax fair? Japan and Western Europe answered this question in the 1970s when they enacted taxes that doubled the price of gasoline. In Europe today gasoline prices are \$2.50 to \$3 a gallon. Consumers bear this burden because it protects the economies of their countries.

Is such action politically feasible?

Not if Washington offers politics-as-usual. However, we must put the future of the country first. Ominous warnings are flashing: Unless there is a shift, America will claim the title "world's largest debtor" next year; and the official statistics are saying that domestic petroleum output will enter a period of inexorable decline some time in this decade. Is it asking too much to urge lawmakers to put their demagogic speeches about "regressive taxes" in their pockets and pass a tax that will encourage their constituents to start making smart decisions now — decisions that will produce big savings for them and their children in the 1990s?

The writer, a lawyer and former congressman, was secretary of the interior from 1961 to 1969. He contributed this comment to The New York Times.

LETTER

'Star Wars,' but Jointly

Like it or not, the "strategic defense initiative" is the only potentially workable approach yet proposed to reduce superpower dependence on nuclear arms. Unfortunately, it threatens stability, which requires that the superpowers develop their strategic defense know-how in a parallel, orderly fashion. President Reagan's suggestion to share American know-how with the Soviets once it is developed falls to provide for stability in the intervening period.

One answer might be to make a joint U.S.-Soviet SDI research project the centerpiece of a nuclear arms reduction accord. Simultaneous dissemination of know-how within both countries would then be possible, as would the maintenance of stability during the transition period. Sharing the research effort could mean considerable economies for both powers.

ARSTEIN RISAN, Oslo.

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TRAVEL

A Guide to the 1985 Travel Guides

by Paul Grimes

NEW YORK — Already it is 1985 — in the travel sections of bookstores, anyway. Their shelves are brimming with 1985 editions of popular "meat and potatoes" guidebooks that list what they regard as the best hotels, restaurants, entertainment, shops and sight-seeing attractions.

Many publishers say that their books are substantially overhauled annually, others that revisions are undertaken at least every two years. But, in fact, even the latest editions may have few changes from last year's, except in prices for meals and lodging and a few additions and deletions. For example, restaurants will appear — and disappear. As Stephen Birnbaum, editor of the series bearing his name, put it, "The truth of the matter is that the history of Europe doesn't change."

Most publishers say they frown on their contributors' accepting free travel from interested parties such as airlines and hotel companies, and some say they pay all or much of the travel costs involved in gathering and revising material. Often, however, what a writer or researcher pays in travel expenses must come from the royalties or fee for his or her work. "We discourage them completely about taking any freebies," said Paul Pasmanier of Frommer's/Pasmanier Publishers. "It could affect their objectivity. But if I had to swear on a Bible that they do or don't — you know, I'm not with them all the time."

The focus in the following telephone sur-

vey was on series that stress general travel information plus facts about essentials like food and lodging that are subject to substantial change. It was not on guidebooks such as the Nagel, Blue and Michelin Green series, which concentrate on culture, history and sights.

Fodor's Travel Guides

This series, which will have more than 100 titles in 1985, began when Eugene Fodor published his first guidebook to Europe in 1936. He sold the business in 1968 to the David McKay Co., the New York publisher, but it is still operated as a separate company, although one person, James Louttit, is president of both.

More than 300 people, who live in the places they cover and work on a fee basis, feed material into one of Fodor's two editorial offices, in New York or London. The staffs there lay out the books in a uniform style. "It's formula stuff," Louttit said. "We do not believe as a rule in single-authored books because with them you're getting one person's point of view. You can't send a person to Paris and have him do a guidebook in a month. That's why we use people living there."

Louttit said from 40 to 80 percent of the pages in a book were corrected each year, even if only by one word. About every four years, he said, "We totally revise the book."

Fielding Travel Books

Since Temple Fielding, the founder, died in 1983, the 14 Fielding titles, published by William Morrow & Co. of New York, have

undergone substantial revision. Eunice Riedel, the Morrow senior editor most closely involved with the series, said "Fielding's Europe," the big brother of the series, is being totally rewritten by Joseph Raff, the current author. "A good third is new in the 1985 book," Riedel said, "because he didn't finish last year. I don't think he'll ever finish, because we're trying hard to keep things up to date."

Each Fielding book is substantially different from the others, she said, because each is essentially the work of a single author or husband-and-wife team, in addition to whatever researchers they employ. "We try to stick to the same format," she said, "but each country is different. In Mexico, for example, there are a lot of handicrafts, so we talk more about them than we might in another book. We also will talk about places worth seeing in Mexico even if the hotels aren't so hot, but in Europe we'd stick to places with good hotels."

Arthur Frommer Guides

Frommer/Pasmanier Publishers, a division of Simon & Schuster, publishes several series of guidebooks, the most popular being "Europe on \$25 a Day" and its various clones aimed at the budget traveler, as well as the "Dollarwise" line for the more affluent. Arthur Frommer personally writes only the Europe book, which was "on \$5 a Day" when he began it 27 years ago.

Only the Europe book is revised annually, according to Paul Pasmanier, the president and publisher; the others are revised at least 50 percent every other year. "Each book is

researched and written by one person or husband-and-wife team," he said. "We don't feel that a committee of free-lancers in Paris can send in memoranda to editors and come up with the best way to do a travel book."

"Generally our writers don't live in the country," Pasmanier said. "They are all Americans. We want our books to have an American point of view for the American traveler. But many have lived there and spend months over there in their research."

Stephen Birnbaum Travel Guides

Stephen Birnbaum is a writer, editor and broadcaster with a large supporting staff. The backbone of his operations is Diversion Communications, of which he is editorial director; it publishes several lucrative leisure-oriented magazines aimed at special audiences, such as physicians, and has 72 permanent editors and art people.

The six-member staff in New York that puts out his 13 guidebooks deals with about 400 revisers and other free-lancers in the field. Their input is supplemented by material gathered for the Diversion magazines. "We may do more than two dozen Caribbean-related articles for Diversion," Birnbaum said. "For example, we just did one on private islands. The idea was inaugurated and paid for by Diversion, then adapted into guidebook style and included and homogenized into our Caribbean book. The budget for such a story, involving travel and time at a dozen resorts, is as much as the normal revision budget for our entire Caribbean guide."

Let's Go

This series of 10 budget guidebooks is completely researched, written and edited by Harvard University students through the Harvard Student Agencies. The publisher is St. Martin's Press in New York. The staff changes substantially every year. For example, Mark Fishbein of New York, who recently completed a year's managing editorship, has graduated from Harvard.

Fishbein, 22, joined Let's Go in his freshman year as a researcher on Italy. ("I grew up there," he said, "and speak Italian fluently.") Thirty-six researchers are recruited in the spring and given intensive training by the editors using a special handbook. An itinerary for a specific country or region is planned for each researcher. Each spends the summer in the field, updating information

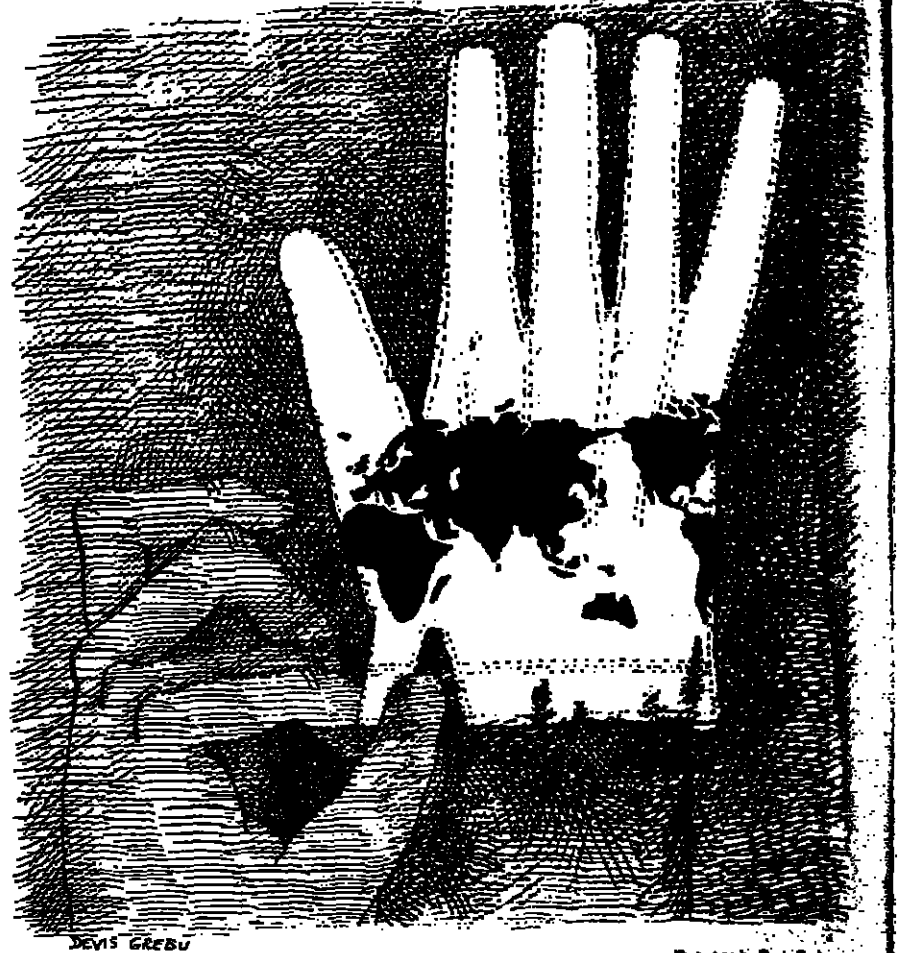


Illustration by Davis Grebu

and looking for what's new. Periodically each sends reports home to six editors and six assistant editors, who put the books together.

Fisher Annotated Travel Guides

This expanding young series of guidebooks, edited and annotated by Robert C. Fisher, currently has 22 titles. "For each book, I hire someone — or a couple — who is already an expert on the subject," Fisher said. "I give them an outline of our minimum requirements and I tell them to use artistic license on the rest. I don't rewrite their material. I devised annotation in the margins to get my viewpoint across. The annotations are my way of putting my imprint on the individual work of the authors."

Actually, the Europe book has a compen-

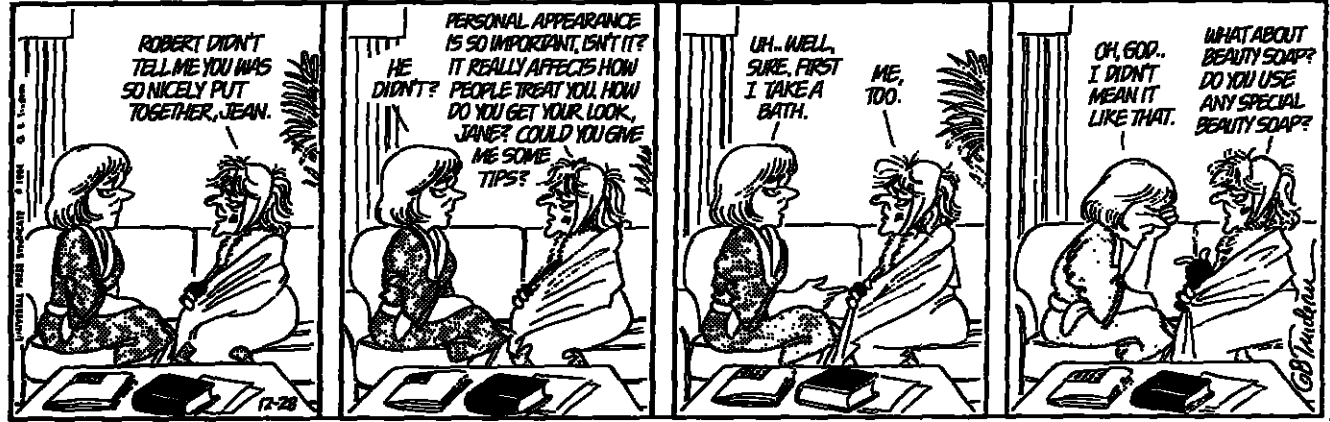
dium of authors because it embraces so much. "I travel extensively and read passively and keep up with what my writers are doing," Fisher said. "And I do have power. I do trust the authors' judgment, but sometimes I have to disagree with what they are doing."

American Express Pocket Guides

These 12 guides to selected European countries, regions and cities plus New York and California are also worthy of note. They were produced this year in London and distributed in the United States by Simon & Schuster. Each book, credited to one author and several contributors, includes maps and has substantial assistance from editors and writers of Travel and Leisure magazine. Whether new editions will come out in 1985 is currently uncertain.

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DOONESBURY



AUSTRIA

VIENNA, Konzerthaus (tel. 72.12.11).

CONCERTS — Jan. 1: Vienna Sym-

phoniker, Lovro von Matic conductor,

Elaine Woods soprano (Beethoven).

Jan. 15: Hagen Quartet (Mozart, Brahms).

Jan. 17: ORF Symphony Orchestra,

Matthias Bamert conductor (Sibelius, Kodaly).

Jan. 21 and 28: Alban Berg Quartet

(Schubert).

Jan. 23: Vienna Symphoniker, Hans

Graf conductor (Bartok, Mozart).

Jan. 24: Ernst Sebestyen Ensemble

(Jandek, Dussak).

Jan. 30: Vienna String Sextet (Bach,

Brahms).

RECEITALS — Jan. 6: Herbert Tachezi

organ (Bach).

Jan. 13: Jorma Hynninen baritone,

Ralph Gothoin piano (Schumann).

Jan. 14: Johann Smeijnders, Borbala

Lobozay harpsichord (Bach).

Jan. 16 and 29: Andreas Schifano piano

(Bach).

EXHIBITION — Jan. 18: March 3:

"Maria Lassnig Retrospective."

EXHIBITION — Jan. 20: "Medieval

Art from Serbian Monasteries."

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BELGIUM

ANTWERP, Royal Flemish Opera

(tel. 233.66.85).

BALLET — Jan. 5, 12, 20: "Coppelia"

(Saint-Léon, Delibes).

OPERA — Jan. 4, 6, 9, 11, 13: "Samson

et Dalila" (G. Dreyer).

Jan. 19, 23, 27: "La Bohème" (Puccini).

Handel.

BRUSSELS, Bellevue Museum

(tel. 511.44.25).

EXHIBITION — To Jan. 20: "Columbian

Gold Artifacts."

OPERA — Jan. 22, 24, 27, 29: "Lucio

Silla" (Mozart).

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ENGLAND

LONDON, Barbican Centre (tel. 628.87.95).

Barbican Hall — Jan. 1: London Sym-

phony Orchestra, John Georgiadis

violin conductor (J. Strauss).

Jan. 2: London Symphony Orchestra,

Bramwell Tovey conductor (New

Year's Teddy Bears' concert).

Jan. 3 and 5: Cio Laine, John Dank-

worth Oulton and the London Sym-

phony Orchestra.

Jan. 4: London Philharmonic Or-

chestra, Paul Freeman conductor (Verdi).

Jan. 8-12: BBC Symphony Orches-

tra, Peter Eavis conductor (Stock-

hausen).

Jan. 13: Royal Philharmonic Or-

chestra, Enrique Batiz conductor, Leland

Chen violin (Dukas, Elgar).

Jan. 17: London Symphony Orches-

tra, Yondani Buti conductor, Maurice

Murphy trumpet (Rossini, Beetho-

ven).

Jan. 18: City of London Sinfonia, Yan

Pascal Tortelier conductor, Gordon

Hunt oboe (Bach, Vivaldi).

Jan. 19: London Symphony Orches-

tra, Yan Pascal Tortelier conductor, Sir

Hee Suk piano (Beethoven, Faure).

Jan. 20: Royal Philharmonic Or-

chestra, Martin Fischer conductor, Ju

Hee Suk piano (Brahms, Mussorgsky).

Jan. 25: London Symphony Orches-

tra, Howard Shiel piano

/conductor, Michael Davis violin

(Bach, Mozart).

RECEITALS — Jan. 18: Antony Pee-

bles piano (Chopin, Beethoven).

Jan. 30: BBC Singers (Poulenc, Wil-

liams).

Barbican Theatre — Royal Shakes-

peare Company — Jan. 15, 17, 18, 19,

20: "A Midsummer Night's Dream."

Jan. 23-26: "The Comedy of Errors"

(Shakespeare).

Jan. 28-31: "Mother Courage"

(Brecht).

EXHIBITIONS — To Jan. 31: "Japane-

se Paintings from the Haruki Collec-

tion," British Museum (1880-1933).

To March 10: "The Golden Age of

Anglo-Saxon Art," 966-1066."

EXHIBITIONS — To Jan. 6: "Henri

TRAVEL

What's Doing in Athens

by Henry Kamm

ATHENS — The Greek language can be heard again in the hills of the city and the halls of the museums — the tourist season is over. From now until Easter, the Acropolis can be visited by the company of Greeks from the countryside who have come to marvel at their heritage, with not a camera poised to record the visit; the Poseidon of Artemision is not more splendidly commanding when he does not gaze down on a National Archaeological Museum bustle with other group members looking for their leaders or parents speaking in many tongues trying vainly to convince their offspring that this excursion is worth giving up a day at the beach.

There is a price to be paid for such splendid isolation. The winter months are not the glory of Athens. Cold winds blow, and rainy days are frequent. Evening entertainment offers little beyond dinner in a taverna and television in the hotel. No sound and light show at the Acropolis, and few nightly folk-dancing performances.

But in a country whose biggest industry is tourism, one in which just about every tourist in the capital, an Athens winter is not to be scorned, particularly for those who have already explored the city and its surroundings under a summer sky and want to refresh and deepen their memories with few distractions from other visitors.

Winter is the time when Plaka, the oldest inhabited section of this ancient city of largely modern houses, loses its tourist-trap flavor, and its essential nature becomes visible.

Plaka is roughly the area between the heights of the Acropolis and the bustle of Constitution Square, also known as Syntagma Square, the heart of modern Athens. The district is built steeply up the hillsides, and its streets are often little wider than ordinary stairways. It is a warren of alleys,

flights of steps, small squares, many churches, some Roman ruins, Turkish mosques and above all shops, tavernas and coffeehouses. In its winter mode, Plaka's normal life, conducted for the most part alfresco, moves indoors in the evening.

Taverna tables no longer fill the sidewalks, and on some evenings one can even find a table at Xinou (4 Angelou Yeronda Street; tel: 322.10.65), the best of the tavernas. Most of the year the surly but talented owner refuses even to accept telephone reservations. Xinou offers what most tavernas offer, only better. The appetizers, which can make a meal by themselves, include *taramasalata*, a pink whip of fish roe and olive oil; *melitzanosalata*, a rich paste of eggplant; *tzatziki*, a mixture of thick yogurt, cucumber and garlic; marinated squid; large stewed beans, vegetables and Greek salad of lettuce, tomatoes, olives, onions and feta cheese.

If your appetite survives this course, entrees of grilled meat and fish and a variety of stews will see you through to the next evening's meal. At the present rate of exchange, a meal for two, including wine, is about 3,000 drachmas (\$25). Although service is included, a tip of 350 to 600 drachmas will be appreciated. The house minstrels accept 100 or 200 drachmas as their due, particularly if they have serenaded you at your table.

In the plethora of Plaka gift shops, at least two stand out for the taste and originality of their offerings. Elliniko Spiti, at 14 Kekropis Street, specializes in fine examples of old folk art from throughout Greece and its islands. On sale are painted and carved chests, some in their original state, others made of salvaged panels of old woodwork. Prices are fairly firm, and a chest can cost about 25,000 drachmas. Lekythos, at 75 Adrianou Street and 39 Kydathineon Street, sells handmade jewelry of original design, largely derived from antique pieces. Brooches cost about 3,000 drachmas, earrings 2,500. Similar pieces are available at far higher

prices at Lalacounis and Zolotas, two luxury jewelry shops on Panepistimiou Street, off Constitution Square.

In the portion of Plaka between the tourist quarter and the Acropolis lie sections that could have been transplanted from the countryside — village-like clusters of neat, freshly painted houses surrounded by gardens, narrow and winding alleys, churches, such views of the city below as smog permits and considerable peace and quiet in a city remarkable for its punishing traffic. Continue strolling until you reach the height that offers you the Parthenon, the Erechtheion and the marvelous view from the Acropolis down on the Odeon of Herod Atticus, in the characteristic form of a Roman theater.

WHAT man has left in place and what he has gathered for viewing remain essential stops on any visit to Athens. The Acropolis is open daily from 9:30 A.M. to 4 P.M., Sunday from 10 A.M. to 3 P.M., closed Tuesday. Moonlight permitting, its grandeur is visible at night as well. An unexpected pleasure of Athens is stopping almost anywhere in town to see if the Acropolis is visible from where you happen to be. It can be seen remarkably often and from angles that offer surprising impressions.

The Arch of Hadrian, dating from A.D. 132 and thus a relative newcomer compared to the 2,500-year-old monuments of the Acropolis, can be visited at any time. The arch survives the brutal and polluting traffic of Amalia Avenue, one of the city's busiest thoroughfares. The Roman Emperor Hadrian was also responsible for the completion of the adjoining Temple of Olympian Zeus, whose great Corinthian columns, in their ageless elegance, contrast keenly with the modern city around them.

The ancient Agora is second only to the Acropolis as the city's most popular classical site. A particular attraction on the site is the Thesieion, considered the best-preserved Doric temple in the world. The hours are the same as those for the Acropolis.

Also worth a visit are four small Byzantine churches in central Athens, all currently in use. Dating from the 11th and 12th centuries, they are the best preserved architectural reminders of the impact of Christianity on Greece. The four are Ayioi Apostoloi, or Church of the Holy Apostles, near the Stoa of Attalos in the Agora; Kapnikarea, on Ermou Street, a shopping strip; Ayios Eleftherios, which is dwarfed by but outshines the featureless modern cathedral on whose square it stands, and Ayioi Theodoroi, on Klathmonos Square.

First among Athens museums is the National Archaeological Museum, 1 Tossizza Street, and impressive collection of classical Greek art in all its manifestations. But because of the scope of its offerings, the museum can be numbing to visitors who begin by inspecting everything along their path and reach its greatest glories no longer capable of absorbing them.

A better approach would be to plot a route with the help of the handsome illustrated

guide (on sale in the lobby), following a sense of pleasure rather than the strictures of educational duty. The museum is open weekdays from 9:30 A.M. to 4 P.M., Sunday from 10 A.M. to 3 P.M., closed Monday. Dress warmly; heating is a mere suggestion.

The splendors of Byzantine art are on display in the Byzantine Museum, 22 Vasilissis Sofias Avenue, which houses an important collection of early Christian, Byzantine and post-Byzantine sculpture, icons and frescoes. The museum is open daily from 11 A.M. to 3 P.M., closed Monday.

Also of interest are the Museum of Greek Popular Art, 17 Kydathineon Street (open daily from 10 A.M. to 2 P.M., closed Monday, admission free) and the eclectic private collection in the Benaki Museum, on the corner of Vasilissis Sofias Avenue and Koumbhari Street (9 A.M. to 3:30 P.M. weekdays, 10 A.M. to 3 P.M. Sunday, closed Tuesday). The National Picture Gallery, opposite the Hilton Hotel, offers a good survey of contemporary Greek art. Open daily from 9 A.M. to 3 P.M. Wednesday from 9 A.M. to 8 P.M. Sunday from 10 A.M. to 2 P.M., closed Tuesday.

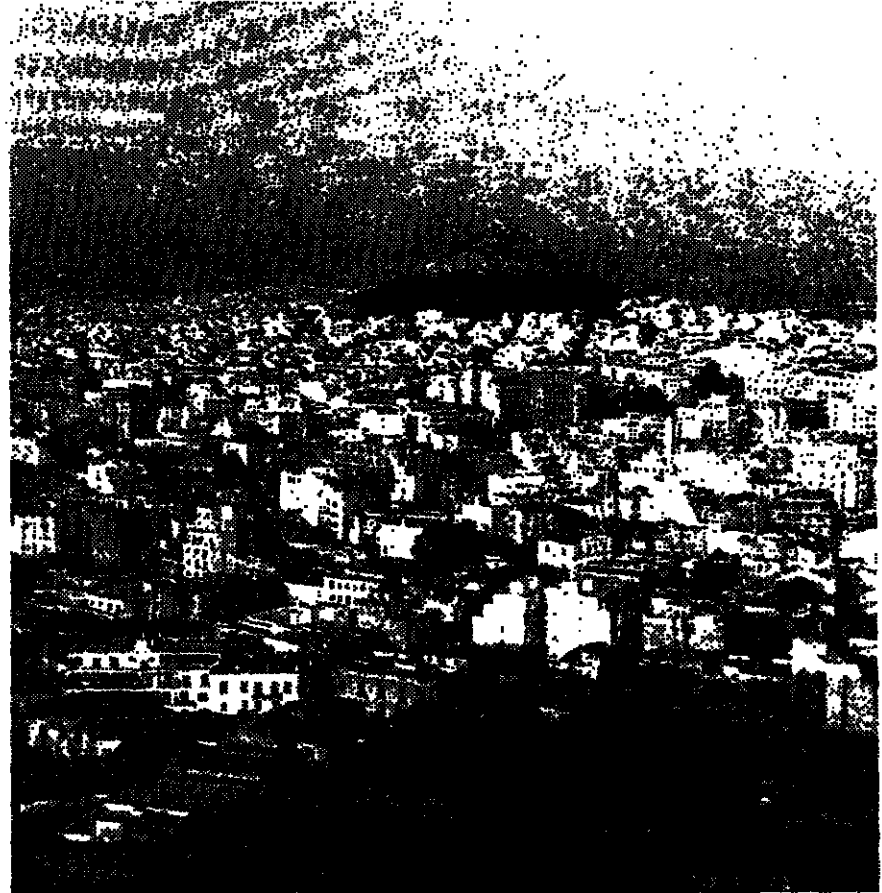
FOR the price of a cup of coffee, you can watch modernity in full cry and at full speed on a short stretch of E. Venizelos Avenue. Here you will find Zorba's and Floc's, the two famous cafés whose sidewalk terraces merge one block from the corner of the Grande Bretagne Hotel, on Constitution Square. Greeks of all ages rush by. At the tables sit members of Athenian society of an earlier, more placid age.

Less well known is the café called Orfanides, a set of small tables at the opposite corner, nearer the Grande Bretagne. Here only cold drinks are served — ouzo, beer and sodas — along with small servings of ham, salami and cheese. A snack that takes the place of lunch is about 250 drachmas.

Top hotels, offering an international atmosphere, include the Grande Bretagne (Constitution Square, 10563 Athens; tel: 323.05.21), the N.Y. Meridian (Constitution Square, 10564 Athens; tel: 325.53.01), the Athens Hilton (46 Vasilissis Sofias Avenue, 10676 Athens; tel: 722.02.01) and the Athenium Inter-Continental (89-93 Syngrou Avenue, 11745 Athens; tel: 902.36.66). The first two are in the center of the city; the others are less centrally situated. In these hotels, a double room starts at about 11,000 drachmas, a single at about 8,750 drachmas. At large hotels such as these, rates are the same throughout the year.

The St. George Lycabettus (2 Kleomenous Street, 10675 Athens; tel: 729.07.11), a modern, well-appointed establishment, commands fine views but requires a bit of climbing or finding a taxi, not always easy in this city. A double room, including breakfast, is about 5,000 drachmas, a single about 3,750 drachmas.

Plaka offers two pleasant hotels at modest cost. Possibly the best hotel bargain in Athens is the Nefeli (16 Hyperionou Street, 10558 Athens; tel: 322.80.44), with 18 rooms. In winter, a double is about 1,750 drachmas, a single about 1,350 drachmas. The Acropolis



Modern Athens from the Acropolis.

House, (6 Kodron Street, 10558 Athens; tel: 322.23.44), a family-owned establishment that is older and simpler, offers singles for 750 drachmas, doubles at 1,000 and triples at 1,500. High season rates rise sharply.

Greek food reflects the influence of Turkish cuisine, and the food served at Greek restaurants and tavernas is similar to Greek home cooking. Two Greek dishes that are standard in every restaurant are *moussaka*, which is composed of layers of eggplant and ground beef topped by bechamel sauce, and *pastitsio*, a similar dish in which pasta is substituted for eggplant.

Another Greek specialty is *gemista* — vegetables such as tomatoes, zucchini and vine leaves stuffed with rice and ground beef seasoned with herbs, in a tomato or egg-lemon sauce. Meat is often served grilled, roasted or in casseroles with potatoes, rice or vegetables like okra, green beans and onions. The menu always offers pork chops and *bifteki*, like hamburger only tastier.

In addition to tavernas, whose menus follow traditions that never vary, Athens offers a good choice of eating places. There is little disagreement with the consensus that the best restaurant continues to be Gerofimilias (10 Pindarou Street, near Constitution Square; tel: 362.27.19). A restaurant that specializes in regional dishes, it offers taverna-type appetizers in greatly refined form, as well as meat or fish on skewers, grilled meats or fish and stews in aromatic sauces. A meal for two, with wine, is about

3,000 to 4,000 drachmas. Reservations are essential.

For good French cuisine, try the Brasserie des Arts of the Meritien hotel. Reservations are advisable. At Le Grand Balcon, the top-floor restaurant of the St. George Lycabettus, the food is good — and the view spectacular, for the hotel is on the slopes of the highest hill of Athens, overlooking the entire city, the sea and some islands. At both, dinner for two with wine is 3,000 to 4,500 drachmas.

Far more modest in setting and menus are two other restaurants near Constitution Square, Corfu (6 Kriezotou Street; tel: 361.30.11) and Kentrikon (on a small plaza reached through 3 Kolokotroni Street; tel: 323.24.82). Both serve good food in a relaxed atmosphere that will not be unfamiliar to habitués of New York delicatessens. Even if you choose the costliest items in the menu, it would be difficult to spend more than 1,250 drachmas a person at either place.

Concierges at Greek hotels are exceptionally helpful. Though it is not customary to tip them, you may want to leave 500 or 600 drachmas for a particularly attentive concierge upon your departure.

The main office of the Greek National Tourist Organization is at 2 Amerikis Street (tel: 322.31.11). The tourist office also has an information desk at the National Bank of Greece, 2 Karageorgi Servias Street, on Constitution Square (tel: 322.25.45 or 323.41.30).

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Defending Real English Cheese

by R.W. Apple Jr.

STREATLEY, England — Patrick Rance, crusader for farmhouse cheese, was incensed as he told his latest bureaucratic horror story. The Milk Marketing Board, he said, had almost done it again: Using its power to set milk prices, it had very nearly obliged the Tuxford & Tebbutt creamery in Melton Mowbray, Leicester, to abandon the production of Leicester cheese.

Had that happened, he exclaimed with a fine show of indignation, there would not have been a single producer of the traditional deep-red 45-pound wheels of rich, sharp, close-grained Leicestershire left in the country of its birth.

Such things matter to Patrick Rance, a 66-year-old shopkeeper and authority on the subject who has loved the hard cheeses of England since he was a child growing up in an Anglican rectory in the East End of London. For more than two decades he has campaigned, often almost single-handedly, to reverse the trend toward what he considers characterless factory-produced cheese whose soapy flavor and texture bear little resemblance to farm products.

Rance is convinced that at least part of the British public agrees with him. He cites a consumer survey's finding that 2 of the 17 British food chains sell such poor cheese that half the customers who enter the store to buy cheese refuse to do so and that 7 other stores experience the same reaction from a fourth of their customers.

"The supermarket destruction of English cheese has got a lot of people discontented — a lot of people," Rance said.

But the tide toward uniform blandness continues. The cheese that he calls "our most original gift to humanity," Cheddar, is available to most people, Rance says, only in the form of "some hard-pressed rectangular substitute, often foreign, usually insubstantial in character and chilled into irredeemable immaturity." Only 11 farms in southwestern England, where Cheddar originated, still make old-fashioned cheeses.

In his detailed study of the subject, "The Great British Cheese Book" (1982), Rance calculated that there is only enough real Cheddar to put in on two out of every 300 British tables where cheese is eaten.

A visitor from the United States, confronted with the real thing — a slice of tangy, dryish, well-aged farmhouse Cheddar that in some ways resembled that slightly immature Parmesan — confessed that it tasted nothing at all like the English. American or Canadian products she had been eating all her life. Most English people react the same way when they first taste a cut from a proper cylinder of Cheddar.

The same is true of Cheshire, of Swaledale, one of the best of the Yorkshire cheeses, now made on only two farms, and of many others. Still others, like Dorset Blue Vinney, have disappeared.

In their place new English cheeses are appearing. The pioneers are people like Hilary Charnley, a young farmer in Devon who makes an herb cheese called Devon Garland and another, plainer type called Warkleigh. Most such cheeses are not widely available.

The place where nearly all can be bought, not surprisingly, is Rance's shop. He has



Patrick Rance and some wares.

spent years traveling the country, sniffing out new producers, encouraging them, selling their cheese and encouraging others to do so.

His place of business is an anonymous-looking building here in Sreatley, a quiet village near Reading and a few miles up the Thames from Henley, site of the regatta. The name, Wells Store, is almost invisible in faded letters on the front. About a third of the space is taken up by the amiable clutter of a thousand such shops. "We do a nice line in tinned soups and we're not too bad in boot laces," Rance said. But the rest is crammed with cheese, which accounts for 80 percent of sales.

BIG, small, French, English, smelly, mild, orange, white, soft, hard, jostling one another for space on shelves and counters, the cheeses are displayed and labeled in delightful, unruly profusion. Several hand-lettered signs encourage shoppers: "Please ask for a taste."

More than 60 of the cheeses are English and most are hard, although there are some excellent softer ewe's and goat's milk cheeses. Hard cheeses, Rance said, were developed in England because winters are harsher than in France or Italy and cheeses had to be kept a good deal longer.

Nowhere else is such a variety of English cheeses available, although Rance praises two London shops — Neal's Yard and Paxton & Whitfield — for their efforts to keep the flame burning. He sells to private customers, to mail-order clients and to about 25 of the best country restaurants in southern England and Wales.

Most shops in England count themselves lucky to have one farmhouse Double Gloucester in stock. Wells Store has three, and a rare and delicious Single Gloucester too. Single Gloucester is only about half as thick — two to three inches, or 5.5 to 7.5 centimeters — and two-thirds the weight — about 16 pounds, or 7 kilos — of Double Gloucester; it is eaten when about six weeks old, while Double Gloucester is ready for the table after six months to a year.

Most days Wells Store, named for the family that founded the business in the 1830s, offers four or five Cheddars and half a dozen English goat cheeses. Equally well represented is the regal Stilton, blue-veined with a pebbly consistency, one of the few English cheeses whose production is limited to a single area.

Rance and his wife, Janet, came to Sreatley 30 years ago. He had retired from the army as a major after serving in Italy during World War II and had done a stint in opinion research at Conservative Party headquarters. They moved because they wanted to live in the country and raise their seven children there, not because they had any notion of getting into the cheese business. It all happened because parents and children wanted "real cheese" for themselves, Rance said, "not because of any business sense or forethought or genius."

A stocky, handsome man who likes denim work shirts, he must be one of the few shopkeepers who wear a monocle on a black cord around the neck. It seems an appropriately mild eccentricity for one whose passion is cheese and who eagerly discusses its more arcane aspects with all comers.

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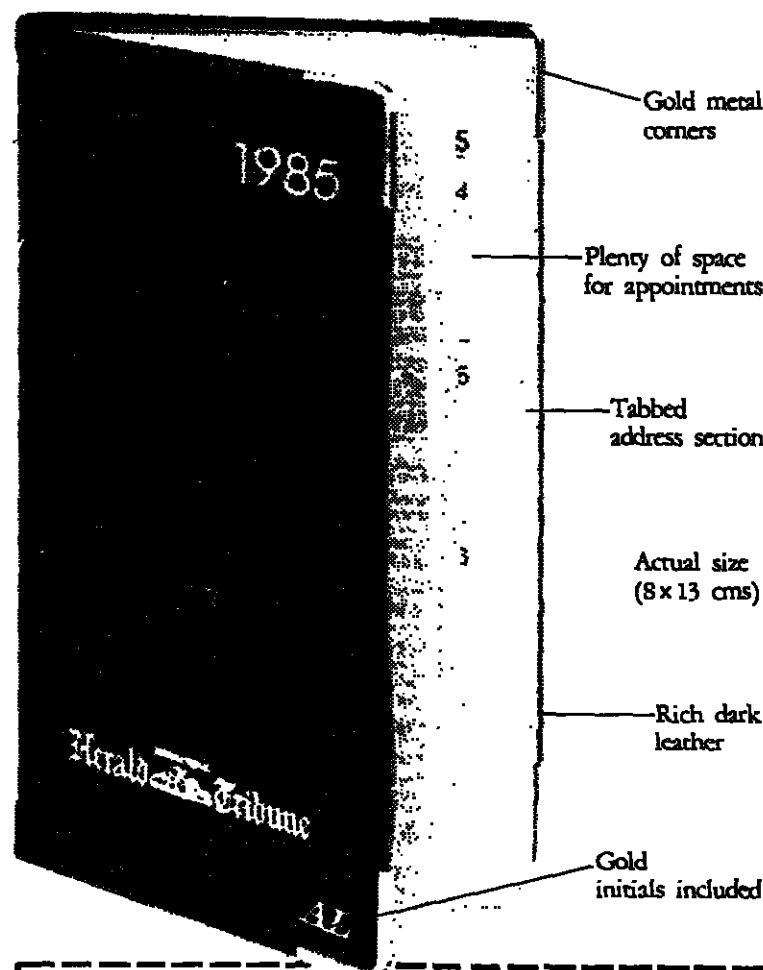
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International Herald Tribune

28-12-84

NYSE Most Actives					
Symbol	Vol.	High	Low	Last	Chg.
IBM	1,234,567	123.45	122.34	122.34	-1.11
AT&T	987,654	45.67	45.23	45.23	-0.44
GE	876,543	34.56	34.12	34.12	-0.44
AMC	765,432	23.45	23.01	23.01	-0.44
AMER	654,321	12.34	12.00	12.00	-0.34
AMER	543,210	11.23	11.00	11.00	-0.23
AMER	432,109	10.12	10.00	10.00	-0.12
AMER	321,098	9.01	8.89	8.89	-0.12
AMER	210,987	8.90	8.78	8.78	-0.12
AMER	109,876	7.89	7.77	7.77	-0.12

Dow Jones Averages					
Index	Open	High	Low	Last	Chg.
Indus	1234.56	1234.56	1234.56	1234.56	-6.40
Trans	567.89	567.89	567.89	567.89	-0.05
Comp	456.78	456.78	456.78	456.78	-1.00

NYSE Index					
Index	Open	High	Low	Last	Chg.
Composite	1234.56	1234.56	1234.56	1234.56	-6.40
Indus	567.89	567.89	567.89	567.89	-0.05
Trans	456.78	456.78	456.78	456.78	-0.05
Comp	345.67	345.67	345.67	345.67	-0.05

NYSE Closing					
Vol.	4 P.M.	7 P.M.	8 P.M.	9 P.M.	10 P.M.
Indus	1234.56	1234.56	1234.56	1234.56	1234.56
Trans	567.89	567.89	567.89	567.89	567.89
Comp	456.78	456.78	456.78	456.78	456.78

AMEX Diaries					
Index	Open	High	Low	Last	Chg.
Indus	1234.56	1234.56	1234.56	1234.56	-6.40
Trans	567.89	567.89	567.89	567.89	-0.05
Comp	456.78	456.78	456.78	456.78	-1.00

NASDAQ Index					
Index	Open	High	Low	Last	Chg.
Indus	1234.56	1234.56	1234.56	1234.56	-6.40
Trans	567.89	567.89	567.89	567.89	-0.05
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NYSE Prices Decline Again

The Associated Press
NEW YORK — Prices on the New York Stock Exchange gave ground Thursday in a sluggish year-end session marked by selling pressure on some toy-manufacturing and retailing issues.
The Dow Jones average of 30 industrials dropped 6.40 to 1,234.56.
Volume came to 70.1 million shares, down from 46.7 million Wednesday.
Toys 'R' Us, a company with a wide following on Wall Street, reported a 16.9-percent sales gain for the eight weeks ended Dec. 24. It said the increase was "below our aggressive sales plan" for the holiday selling season.
In a letter to shareholders, company executives attributed the development to a drop in sales of video games and home computers.
Toys 'R' Us stock tumbled 7 1/2 to 40 and led the active list on volume of more than 2.5 million shares.
Selling spilled over into some other retailing issues, and toy makers as well, although Toys 'R' Us said its sales of "traditional" toys remained strong through the holiday period.
Among retailers, Wal-Mart Stores dropped 1/2 to 39, and Petco Stores 2 1/2 to 33 1/2. Petco owns about 13.4 million shares, or about 25 percent, of Toys 'R' Us.
In the toy manufacturing group, Tonka fell 3 to 41 1/2, Mattel 1/2 to 10 1/2, and Hasbro Bradley, traded on the American Stock Exchange, 5 1/4 to 56.
The toy makers' stocks have been among the best performing groups in the market this year. Toys 'R' Us, for its part, has become something

of a legend on Wall Street as a classic turnaround story.
Its predecessor company, Interstate Stores, spent several years during the 1970s in bankruptcy proceedings. After it was reorganized under its new name in 1978, its stock began a climb from 1 1/2 (adjusted for subsequent splits) to a high of 52 1/2 this year.
Otherwise, analysts said the mood among money managers at investing institutions was very subdued. The performance of the market in 1984 has disappointed many people after the large gains recorded in the two previous years.
Furthermore, many portfolio managers have had trouble this year producing results as good as the market averages — in part because smaller stocks that do not carry much weight in the indicators have fared even more poorly than the big-name blue chips.
The U.S. government is expected to sound an upbeat note for the 1985 economy when it reports Friday on the index of leading economic indicators for November. However, a strong showing by the index has been widely forecast, and may already have been taken into account by the market.
In the daily tally on the Big Board, declines outpaced advances by about 3 to 2. The exchange's composite index lost 40 to 93.64.
Nationwide turnover in NYSE-listed issues, including trades in those stocks on regional exchanges and in the over-the-counter market, totaled 86.62 million shares.
Standard & Poor's index of 400 industrials fell 94 to 184.90, and S&P's 500-stock composite index was down .72 at 165.75.

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AMER	432,109	10.12	10.00	10.00	-0.12
AMER	321,098	9.01	8.89	8.89	-0.12
AMER	210,987	8.90	8.78	8.78	-0.12
AMER	109,876	7.89	7.77	7.77	-0.12

NYSE Most Actives					
Symbol	Vol.	High	Low	Last	Chg.
IBM	1,234,567	123.45	122.34	122.34	-1.11
AT&T	987,654	45.67	45.23	45.23	-0.44
GE	876,543	34.56	34.12	34.12	-0.44
AMC	765,432	23.45	23.01	23.01	-0.44
AMER	654,321	12.34	12.00	12.00	-0.34
AMER	543,210	11.23	11.00	11.00	-0.23
AMER	432,109	10.12	10.00	10.00	-0.12
AMER	321,098	9.01	8.89	8.89	-0.12
AMER	210,987	8.90	8.78	8.78	-0.12
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TECHNOLOGY

Ceramics, Able to Take Heat, Move Far From the Kitchen

By JOHN HOLUSHA
New York Times Service

DETROIT — Ceramic materials, best known as the basic material of tea cups, are under intense development as replacements for metals in applications ranging from artificial hip joints to auto engines.

Ceramics, of course, are brittle. And, since most are very hard, they are difficult to machine into technologically sophisticated shapes.

But there also are ceramics that hold their shape at temperatures high enough to melt metal, that do not expand much under heat and that resist corrosion and wear. These properties make ceramics attractive where temperatures are high and the environment hostile.

In addition, most ceramics are based on abundantly available materials, such as silicon and aluminum, in contrast to the relatively scarce cobalt, nickel and other ingredients that go into the more exotic metal alloys. The newer ceramic materials are usually referred to as engineering ceramics, or fine ceramics.

With their resistance to corrosion and hardness, ceramics are being used by doctors as replacements for such body parts as hip joints and teeth. They are also being used as the cutting surface in high-speed tools, and to line containers holding hazardous chemicals.

But it is their potential in mass-market industries, such as cars, that prompt forecasters to estimate that the market for the materials will be as large as \$10 billion a year by the year 2000. Some Japanese automakers are planning to make the ceramic part of their vehicles out of ceramic. Because a ceramic part has less mass than a metal rotor of the same size, it can accelerate faster as the exhaust gas flow increases. That would reduce the annoying performance lag that has plagued older turbos.

The big payoff in the automotive field, though, could come from the development of engines able to operate at temperatures high enough to use much of the heat energy of fuel that is now wasted.

In current engines, for example, a radiator at the front of the car is necessary to cool the engine sufficiently to prevent the metal distorting. But it also dissipates energy.

"On a gasoline engine, about one-third of the heat energy is lost to the radiator, one-third goes out the tailpipe and about one-third is useful work," said Alvin M. White of the Battelle Memorial Institute.

SEVERAL automobile and truck companies are working on so-called adiabatic, or heat-retaining, diesel engines that have ceramic cylinder liners and eliminate the conventional water-cooling system. Combined with turbochargers, which help recapture some of the energy in the exhaust gas stream, engines of this sort can considerably increase fuel economy by simply using more of the energy in each gallon of fuel. Adiabatic diesels are expected to find use in heavy-duty trucks later in this decade.

The use of ceramic turbines in gas-turbine engines is also being studied. Again, the search is for greater fuel efficiency by operating at higher temperatures. A ceramic turbine could operate at 2,500 degrees Fahrenheit (1,371 degrees Celsius), compared with about 2,000 degrees for metal. The higher temperature could increase fuel economy 30 to 40 percent, according to John Buppert of Garrett Corp., which is developing gas turbine automotive engines.

But quite a few problems remain to be solved before ceramic

The auto industry is seen as the biggest market for new ceramics.

Manila Asks New Debt Halt

90-Day Delay Runs Out Soon

The Associated Press

MANILA — The Philippines is seeking a new 90-day moratorium on principal payments on its foreign debt as the country negotiates a restructuring of \$3.75 billion in maturing commercial loans, Prime Minister Cesar E. A. Virata said Thursday.

The Philippines, which has foreign debt of about \$26 billion, was first granted a 90-day moratorium by foreign banks in October 1983. The moratorium, which has been regularly renewed since then, was next due to expire in January.

Mr. Virata said the country needed the extension because it did not reach agreement on the commercial debt rescheduling that he has been negotiating for more than a year with a New York-based committee representing more than 400 foreign commercial banks.

Mr. Virata, who is also finance minister, returned last week from Paris, where he concluded an agreement with representatives of 15 foreign governments and multilateral institutions on rescheduling \$1.1 billion in official loans over 11 years.

He did not say when he hoped to conclude a similar agreement with the foreign banks. Earlier, those banks had pledged to grant the Philippines \$851 million in new loans and extend \$3 billion in trade facilities.

The International Monetary Fund had agreed earlier to grant the Philippines a new standby credit of 615 million special drawing rights (slightly less than \$615 million), which the government of President Ferdinand E. Marcos says it needs, along with the loan restructuring, for the country to survive its worst economic crisis since World War II.

Mr. Virata raised the possibility that the Philippines would have to ask for still another extension, in addition to the one that he said on Thursday had been requested. Both would presumably be for 90 days.

Sandinists Follow Harvard Model

Business School Still Survives In Managua

By Stephen Kinzer
New York Times Service

MANAGUA — When President John F. Kennedy asked the Harvard Business School to help establish an institute to train executives in Central America, he envisioned a program whose graduates would spread the theory and practice of capitalism throughout the region.

Almost two decades after the Central American Institute for Business Administration came into being in Managua, thousands of its graduates are among the region's most important and successful business leaders. But since the Sandinista revolution five years ago, the student body has changed discernibly and some observers have questioned whether the institute has a future in Nicaragua.

The student body now includes many Sandinists seeking to learn how to run government agencies or how to administer the farms, factories and other businesses that have come into government hands.

Last year, some anti-Sandinist Nicaraguans began to grumble that the school was a training ground for the leftist government, and should no longer be eligible for support from the Agency for International Development, the Inter-American Foundation or



Professor Benito Cobb teaching at the Central American Institute for Business Administration in Managua.

other U.S. agencies that have been contributing to its budget.

But before a crisis could arise, senior Nicaraguan business leaders reaffirmed their support for the school's policy of accepting students from the public as well as private sector.

Some Sandinists are said to be questioning the need for a traditional business school in the kind of revolutionary society they are trying to build. And with some Sandinists and some business people alike criticizing the school, it is having to defend its aims.

"Karl Marx and Adam Smith are pretty irrelevant to what we're doing here," said John C. Ickis, a Harvard Business School graduate and former Peace Corps worker who is one of the school's administrators. "Regardless of who is in power, there is a need for people who are able to behave rationally. Nicaragua will be a better place in the long run if more people know how to think."

The institute, known by its Spanish acronym, INCAE (for Instituto Centroamericano de

Japan's Surplus Narrower on Current Account

TOKYO — The surplus on Japan's current account — a broad measure of trade including merchandise as well as nonmerchandise items such as services — narrowed to \$2.90 billion in November from \$3.89 billion in October but grew from \$825 million a year earlier, the Finance Ministry said Thursday.

It said the overall balance of payments was in deficit by \$2.03 billion in November, compared with a \$274-million deficit in October and a \$1.08-billion surplus a year earlier.

Seasonally adjusted, the balance-of-payments deficit was \$680 million in November, against \$737 million the month before. The balance of payments has shown a deficit for 10 of the past 11 months.

The November surplus for merchandise trade was \$3.85 billion, against \$4.50 billion in October and \$2.04 billion in November 1983, the Finance Ministry said.

Exports in November fell to \$13.85 billion from \$14.78 billion in October but were above the \$12.18 billion in November last year. Imports were \$10 billion, against \$10.27 billion in October and \$10.14 billion a year earlier.

The November deficit in non-merchandise trade widened to \$794

million from \$490 million in October but down from \$1.07 billion in November 1983, the ministry said. It said November's transfer-payments deficit was \$156 million compared with \$125 million the previous month and \$146 million a year ago.

The long-term capital-account deficit widened to \$437 billion in November from \$402 billion in October and \$1.39 billion a year earlier. The short-term capital-account deficit narrowed to \$66 million from \$698 million in October and compared with a \$1.56-billion surplus a year earlier.

The errors and omissions account left a deficit of \$1 million, against a \$556-million October surplus and a \$78-million surplus in November 1983.

Dollar Surges; Gold Off Sharply

United Press International

NEW YORK — The dollar made sharp advances Thursday, catching many dealers by surprise. The British pound fell to a record low. Gold plunged to \$307.25 an ounce in London from \$313.50 on Dec. 24.

Dan Holland, vice president at Discount Corp. of New York, said much of the surge came from corporate year-end demand. He said the dollar got an additional boost from the relatively high federal funds overnight rate, 8 1/2 percent.

In late New York trading, the British pound was at \$1.16065, down from \$1.1655 Wednesday; in London it closed at \$1.1643, down from \$1.175 Dec. 24. The Deutsche mark was trading at 3.151 to the dollar in New York, against 3.1295 Wednesday; in Frankfurt it was 3.13395, up from 3.12525. The French franc traded in New York at 9.64 to the dollar, compared with 9.575 Wednesday, while in Paris the franc closed at 9.62 against 9.58.

Craxi Report Cites '84 Gains in Italian Economy

Reuters

ROME — The past year was generally positive for Italy's economy although a number of problems still remain, according to a report published Thursday by the office of Prime Minister Bettino Craxi.

According to the document, gross domestic product has increased 3 percent this year, slightly surpassing earlier forecasts of a 2-percent increase.

It added that Italy's public sector deficit had overshoot earlier targets, rising to 93,000 billion lire, (\$48.3 billion) compared with an official target of 90,800 billion lire.

The rate of inflation also fell during the year, it said. The November consumer price index rose at an annual rate of 8.6 percent, compared with a 13-percent rate of gain a year earlier.

Mr. Craxi's government is attempting to reduce inflation to 7 percent by the end of 1985, although the December rate is reliably predicted to be about 9 percent.

The review said the main problems facing the Italian economy were an increased foreign trade deficit, rising unemployment and the continuing high cost of money.

According to latest figures, Italy's cumulative trade deficit for the

first 10 months of 1984 stood at 14,271 billion lire compared with a deficit of 10,237 billion lire for the same 1983 period.

Meanwhile, the Bank of Italy raised its official discount rate to 16.5 percent from 15.5 percent last September, reversing a trend that had seen it fall from 17 percent in February.

The Italian prime rate hovered around 18 percent throughout 1984.

According to the most recent figures issued by the National Statistics Institute, ISTAT, unemployment stood at 10.1 percent in July 1984, up from 9.7 percent in July

1983, and 9.9 percent in January 1984.

In an interview published Thursday in the weekly business magazine *Il Mondo*, the head of the Private Employers' Association, Luigi Lucchini, said he was "cautiously optimistic" about economic prospects for 1985.

"In 1984 we managed to link ourselves to the international recovery thanks to the successes we achieved in the fight against inflation," he said.

He predicted inflation would fall further in 1985, and said it was vital for labor costs to be contained through negotiations.

Construction Activity Reported Up 8% in U.S.

United Press International

NEW YORK — After two months of sluggish activity, commercial contracting pushed total U.S. construction activity ahead by 8 percent in November, the F.W. Dodge Division of McGraw-Hill Information Systems reported Thursday.

The study by Dodge, a specialist on the U.S. construction market, said the start of \$16.9-billion worth of new activity raised its seasonally adjusted index of total construction to 158 from October's 146 and September's 144.

George A. Christie, a Dodge economist, said the rebounding of building activity might be in part the result of the business community's concern about the possible loss of accelerated-depreciation provisions under a proposed federal tax revision, rather than the prospect of a "growth recession" that some economists have been suggesting.

By segment, November's gain for nonresidential building was \$6.4 billion, up 5 percent from October. A 60-percent gain in industrial building and a 20-percent increase in office building claimed

the spotlight last month, but an 8-percent drop in institutional buildings adversely affected November's strength in commercial and industrial contracts.

Residential activity advanced 3 percent after seasonal adjustment to \$7.6 billion.

Residential building held about steady as a drop in multifamily housing canceled most gains made in single-family structures.

On a year-to-date basis, total construction through November 1984 amounted to \$196.1 billion, up 9 percent over the comparable 1983 period.

In another upbeat report, the National Association of Realtors said Thursday in its monthly report that sales of existing single-family homes soared in November, following six consecutive monthly declines.

The median price of a home also rose, reflecting the higher demand, to \$72,500, an increase of \$500 from October levels.

November resales were 7 percent above the sales rate of November 1983.

Currency Rates

Official foreign exchange rates on Dec. 27, excluding fees.
P.M. rates for Amsterdam, Brussels, Frankfurt, Milan, Paris, New York rates for P.M.

	\$	£	D-Mark	FF	Sw. Krona	Yen	Other
Amsterdam	2.48	1.45	112.00	36.37	8.10	163.00	142.00
Brussels	2.47	1.45	112.00	36.37	8.10	163.00	142.00
Frankfurt	2.47	1.45	112.00	36.37	8.10	163.00	142.00
London	1.60	1.00	112.00	36.37	8.10	163.00	142.00
Milan	1.75	1.00	112.00	36.37	8.10	163.00	142.00
New York	1.00	1.00	112.00	36.37	8.10	163.00	142.00
Paris	6.46	1.00	112.00	36.37	8.10	163.00	142.00
Tokyo	250.00	1.00	112.00	36.37	8.10	163.00	142.00
Zurich	2.50	1.00	112.00	36.37	8.10	163.00	142.00
1 EUR	0.71	0.006	2.211	4.228	1.752	2.504	44.229
1 SDR	0.60237	0.0059	2.38491	4.5481	1.90049	2.4075	41.9751

Dollar Values							
	\$	£	DM	FF	Sw. Krona	Yen	Other
Gold	3.200	1.00	112.00	36.37	8.10	163.00	142.00
Silver	21.34	1.00	112.00	36.37	8.10	163.00	142.00
Platinum	62.90	1.00	112.00	36.37	8.10	163.00	142.00
Palladium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Copper	11.00	1.00	112.00	36.37	8.10	163.00	142.00
Aluminum	4.82	1.00	112.00	36.37	8.10	163.00	142.00
Iron	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Steel	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Lead	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Zinc	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Nickel	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Vanadium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Thorium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Plutonium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Neptunium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Protactinium	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-235	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-238	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Plutonium-239	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Neptunium-237	12.00	1.00	112.00	36.37	8.10	163.00	142.00
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Uranium-234	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-235	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-238	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Plutonium-239	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Neptunium-237	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Protactinium-231	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-234	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-235	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-238	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Plutonium-239	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Neptunium-237	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Protactinium-231	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-234	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-235	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-238	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Plutonium-239	12.00	1.00	112.00	36.37	8.10	163.00	142.00
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Protactinium-231	12.00	1.00	112.00	36.37	8.10	163.00	142.00
Uranium-234	12.00	1.					

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BUSINESS ROUNDUP

Arbitrators Could Lose \$100 Million on Phillips

By Fred R. Bleakley
New York Times Service
NEW YORK — Wall Street's arbitrage trading community stands to lose at much as \$100 million if the stock of Phillips Petroleum Co. does not recover from the plunge it took Monday, arbitrageurs say. Most heavily exposed, they say, is the company headed by Ivan F. Boesky, the most active professional arbitrageur.

Ivan F. Boesky Corp. is believed to have bought more than half the estimated 10 million to 12 million shares purchased by professional arbitrageurs in recent weeks. Phillips' shares fell 87 1/2 cents Thursday on the New York Stock Exchange, to \$45.25, or about \$9 below the \$54-to-\$55-a-share average price that other arbitrageurs say Mr. Boesky paid for his position.

Mr. Boesky refused to comment on the potential loss for Mr. Boesky and for Wall Street "could the biggest black eye the arbitrage community has suffered since Citicorp Service," one trader said, referring to the losses when the Justice Department broke up the planned union of Gulf Oil Corp. and Citicorp Service Co. in 1982.

Arbitrageurs buy securities of companies in takeovers or reorganizations with an eye toward selling at a higher price in a relatively short time. Usually they borrow to leverage their positions. That leads them to sell quickly, in order to avoid further interest costs, if it appears that the takeover is not on track, as happened with Phillips.

Many arbitrageurs, including Mr. Boesky, have reportedly already taken some of their losses in Phillips. Monday, 4.9 million shares changed hands and Phillips' stock dropped \$9.25 in reaction to the company's announcement that it would restructure itself to avoid a takeover by a group led by T. Boone Pickens.

Mr. Boesky reportedly sold major blocks of shares in 12 other companies Monday to repay millions of dollars in bank borrowings for his Phillips shares. His position, estimated to be 5.5 million to 7 million shares, represented an investment of about \$300 million.

Another Deak affiliate in Hong Kong, Deak-Perera Finance Ltd., a registered deposit-taking company, had its license suspended Dec. 7.

Hong Kong Acts To Liquidate Deak & Co. Unit

United Press International
HONG KONG — The Supreme Court of Hong Kong, acting on a petition from the Colony's administration, appointed on Thursday a provisional liquidator for Deak-Perera Far East Ltd., a Hong Kong affiliate of the U.S.-based Deak & Co.

Deak-Perera Far East ceased active business Dec. 6 along with two other Hong Kong affiliates when the parent filed for protection from its creditors under Chapter 11 of U.S. bankruptcy laws.

After Deak-Perera Far East closed its doors, depositors found they also were unable to recover their money from Deak Co./Macao, another affiliate on whose behalf Deak-Perera Far East had been accepting deposits.

Deak Co./Macao, like its Hong Kong affiliate, had a money-changer's license that did not entitle it to accept deposits.

According to figures issued by Macao authorities, investors stand to lose at least \$20 million if the Deak companies here and in Macao are liquidated. Macao authorities have stated that the Macao company has been suspended.

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McDonnell Douglas to Start Producing MD-87 Jet

Los Angeles Times Service
LONG BEACH, California — McDonnell Douglas Corp. says it will begin producing the MD-87 jetliner next year after having received orders for 12 of the aircraft. The orders, placed by Finnair and Austrian Airlines, are valued at about \$240 million. Deliveries are expected to begin in late 1987, according to officials at Douglas Aircraft Co., the Long Beach-based McDonnell unit that produces commercial aircraft.

The MD-87 is a shrunken version of the company's existing MD-80 family, with about 25 fewer seats and about 17.5 feet (5.25 meters) chopped out of its fuselage. The typical MD-80 carries 155 passengers.

James Worsham, president of Douglas, said in a recent interview that the MD-87 would cost \$30 million to \$75 million to develop. He said that about 93 percent of the MD-87's parts would be common to the MD-80, thus reducing development costs.

Mr. Worsham said the aircraft is designed as a "companion piece to the MD-80," meaning that the aircraft has a range equal to larger MD-80 family jets and similar operating requirements. Thus, the less expensive MD-87 could easily be substituted on a spot basis for larger capacity jets, depending on passenger loads, he said.

The MD-87 announcement was widely expected. McDonnell had received orders for eight of the aircraft from Finnair as of last month and was waiting for final confirmation of the Austrian Airlines order before launching the program.

The additional orders will not significantly affect Douglas employment plans, which already call for substantial increases, a company spokesman said. The company plans to add about 12,000 jobs by 1988 and some of those jobs would be based on the MD-87. It currently employs 16,000 at Long Beach and Torrance, California.

In addition to the MD-87, Douglas is conducting preliminary studies of an MD-89, a stretched version of the MD-80 with a new engine. The aircraft would add 15 to 20 seats to the older version.

Douglas has formed a strategy of developing new aircraft only through modifications of older lines, Mr. Worsham said. The MD-80 family is based largely on the company's DC-9 line, which has been in production since the 1960s.

"You could blow as much as \$2 billion if you build an entirely new size, but you probably would never make a profit because you couldn't get back your nonrecurring costs," he said.

"We are not looking at anything at all like that, nothing at all," he emphasized. "We are like a shoe-maker, sticking to our own last."

limited partners and shareholders. Sebec, an Italian electronics concern, has been awarded a 102-billion lire (\$53-million) government development loan. The loan will be made by the state-run Investment Fund for the Revival of the Electronics Industry.

Unicorp Canada Corp. told the Securities and Exchange Commission that it increased its holdings in Unicorp American Corp. to the equivalent of 54,017,389 shares, or 48.8 percent of the total outstanding. Unicorp Canada said it intends to raise its stake in the U.S. company to more than 50 percent.

Western Mining Corp. of Australia said it hopes to start gold mining at the Olympic Dam copper, uranium and gold deposit in South Australia in 1987. WMC, a 51-percent partner in the mine, said annual output could be about 100,000 ounces. A unit of British Petroleum PLC holds the other 49 percent.

Westmoreland Coal Co. said that it would take \$57 million in fourth-quarter write-offs for the disposition of unprofitable coal properties in West Virginia. The company also said it expected to have a loss from operations in the fourth quarter of about \$7.4 million.

Nikko Securities Co. and Daiwa Securities Co. said they will launch a Euroyen money market fund in January. The funds are intended to help small institutional investors to increase the yen portion of their portfolios with less risk than direct investments in single yen instruments.

Petro-Lewis Corp. said it has reduced the appraised value of a royalty trust it has set up for limited partners to between \$846 million and \$874 million from an original \$920 million. The trust was proposed five weeks ago as part of a settlement of lawsuits brought by

INCAE administrators and private sector leaders say that they are confident that the school can remain active in Nicaragua for now.

"INCAE has done what it set out to do, which was to train high-level managers for Central American businesses," said Jaime Bengoechea, president of Nicaragua's Chamber of Industry.

General Motors of Canada said its diesel division has received a \$60-million contract to build 45 diesel-electric locomotives for CP Rail. The order should prevent further layoffs in the division in 1985, the company said.

International Harvester Co. violated U.S. law by failing to warn consumers over a several-year period that its gasoline-powered tractors could catch fire under certain conditions, the Federal Trade Commission said. However, it said, no immediate corrective action is called for because International Harvester finally did send out warnings in 1980.

Marine Midland Banks said it participated in a consortium that provided a \$75-million revolving credit to finance the buyout of Axis Inc. by a group of investors led by Merrill Lynch & Co. and Axis management. The company said it and Exchange National Bank also provided a \$20-million revolving credit to Axis's Bliss & Laughlin Steel Co. unit to finance its divestiture and buyout by management.

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Henkel Predicts Higher Volume, Profit Next Year

DUSSELDORF — Henkel KGAA, West Germany's largest privately owned chemicals group, expects higher 1985 volume and profit after increasing both this year, the company said Thursday.

World group volume has risen about 10 percent in 1984 to more than 9.3 billion Deutsche marks (\$3 billion).

The company posted domestic group net profit of 77 million DM last year on sales of 4.46 billion. It does not publish world group profit.

As part of a restructuring plan aimed at strengthening Henkel's core activities, the company's U.S. subsidiary, Henkel Corp., plans to withdraw from food operations.

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AMSTERDAM DEPOSITARY COMPANY N.V.
Amsterdam, December 19, 1984.

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SPORTS

Ginski Propels Nets
Defeat of Pistons

By Our Staff From Dispatches
RUTHERFORD, N.J. — Darryl Dawkins isn't doing his career-best job with an injury — but he is a lot for Mike Ginski's Nets. Dawkins, who has been flourishing in his absence, and Wednesday continued his fine play.

NBA FOCUS

points and 13 rebounds to New Jersey Nets beat the Pistons, 112-97.

"It's a great feeling for me to be in the game, getting a lot of numbers," Ginski said.

Wednesday night, Ginski's reason for being was 27 points and 13 rebounds as the Nets beat the Pistons 112-97.

past, I hadn't been an art of the offense," said "When you get those art of the offense, you're score 15 to 18 points a

National Basketball Association, it was Washington 89; Dallas 124, Los

Angelo Clippers 118; Milwaukee 97; Houston 87; Boston 119; Phoenix 114; Atlanta 117; New York 105; Utah 133; Kansas City 122; Denver 130; San Antonio 119; and Los Angeles Lakers 101, Seattle 97.

Dawkins hasn't been the only Nets' player out with an injury recently. Also missing have been Otis Birdsong, Mike O'Koren, Albert King and Darwin Cook.

On Wednesday night, they all sat and watched, sidelined by injuries, as Nets Coach Stan Albeck employed Mike Wilson, Kevin McNamee and Chris Engle — all under 10-day contracts — in beating the Pistons.

The Nets received fine performances from three regulars. In addition to Ginski, Michael Ray Richardson collected 26 points, nine assists and eight rebounds and Buck Williams had 24 points and 16 rebounds.

"We didn't play with any emotion and it was quite embarrassing," said Detroit's Kelly Tripucka. "Our pride was dented out there."

Detroit's Terry Tyler, who suffered a broken nose in Tuesday's loss to the Philadelphia 76ers, played briefly wearing a facemask to extend his number of consecutive games to 521, the longest among active players. (AP, UPI)



Pistons' Dan Roundfield, left, with the ball on his tips, is aided by Kelly Tripucka for a rebound.

OREBOARD

Hockey

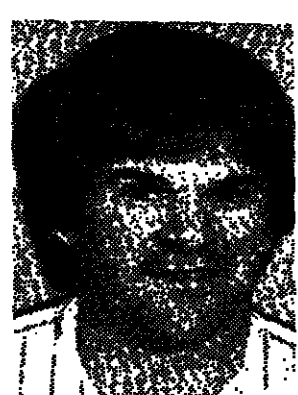
Standings	W	L	T	Pts	GF	GA
NHL CONFERENCE						
Pacific Division						
1	10	7	4	24	147	111
2	10	8	3	23	142	102
3	10	12	1	21	142	136
4	12	6	2	26	117	139
5	11	10	5	27	129	142
6	11	10	4	26	115	140
Atlantic Division						
1	10	9	4	24	140	112
2	10	12	3	23	143	128
3	12	7	5	29	122	108
4	14	5	3	32	122	116
5	12	15	4	28	108	128
Central Division						
1	12	5	3	27	127	126
2	10	12	4	24	127	133
3	11	10	6	28	121	140
4	8	24	4	20	109	166
Metropolitan Division						
1	10	12	4	24	127	133
2	10	12	4	24	127	133
3	11	10	6	28	121	140
4	8	24	4	20	109	166
St. Louis Division						
1	10	12	4	24	127	133
2	10	12	4	24	127	133
3	11	10	6	28	121	140
4	8	24	4	20	109	166

Basketball

Standings	W	L	T	Pts	GF	GA
NBA CONFERENCE						
Atlantic Division						
1	10	7	4	24	147	111
2	10	8	3	23	142	102
3	10	12	1	21	142	136
4	12	6	2	26	117	139
5	11	10	5	27	129	142
6	11	10	4	26	115	140
Pacific Division						
1	10	7	4	24	147	111
2	10	8	3	23	142	102
3	10	12	1	21	142	136
4	12	6	2	26	117	139
5	11	10	5	27	129	142
6	11	10	4	26	115	140
Central Division						
1	10	7	4	24	147	111
2	10	8	3	23	142	102
3	10	12	1	21	142	136
4	12	6	2	26	117	139
5	11	10	5	27	129	142
6	11	10	4	26	115	140
Metropolitan Division						
1	10	7	4	24	147	111
2	10	8	3	23	142	102
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4	12	6	2	26	117	139
5	11	10	5	27	129	142
6	11	10	4	26	115	140



Sugar Ray Leonard



Pete Rose



Mary Lou Retton



Carl Lewis

U.S. Sports in '84: Implausible but True

By Thomas Boswell

WASHINGTON — The past year in sports was so packed with events, so loaded with new games and new leagues, so inundated with young billionaire stars breaking old records and so chock full of tales of human interest and human frailty that the realm of athletics became inflated to the point of bursting.

When you try to condense and redigest it, the real shock about 1984 is that those 12 months of sport seem as dense in detail and drama as several years put together used to be. Is this the Golden Age of Games, or the beginning of sports history?

In 1984, Sugar Ray Leonard retired minutes after a comeback victory, and Swale died just eight days after adding the Belmont Stakes to a Kentucky Derby victory.

The Washington Redskins had the worst Super Bowl defeat ever in January, yet, by December, had redeemed themselves by winning their division title again despite constant injuries. Meanwhile, the NFL champion Los Angeles Raiders limped to a wild-card spot and were eliminated by the Seattle Seahawks.

Robert Isaac stole the Colts from Baltimore in the middle of the night; Leonard Rose almost snatched the Eagles out of Philadelphia to cover his casino debts, and Al Davis shook the NFL by going to the Supreme Court and proving that he could move his Raiders anywhere he wanted.

Pete Rose started the year in 4,000-bit glory, turned into an aged bench warmer by midseason with the Montreal Expos, then, in September, was suddenly the hard-hitting player-manager of his hometown Cincinnati Reds.

The runner Carl Lewis could win the same four gold medals in

Los Angeles that Jesse Owens captured in 1936 in Berlin, yet somehow rub the public so wrong that he ended the year less of a hero than he began it.

The connection between all these events, and many others like them, is their unexpectedness and, therefore, the cumulative sense that as contemporary sports fans, we are always playing catch-up, trying to digest the latest landmark, appreciate the newest hero.

Doubling our sense of the density in our sports calendar was the fact that this was a year in sports when anything could happen, no matter how improbable.

Perhaps a bigger shock than any individual Olympic performance was the realization that the Games were generally regarded — at least in the United States — as a major success, despite the Soviets' back-at-you boycott. The Los Angeles Olympic Committee turned a profit in the hundreds of millions, a first.

It was the sort of year in which the Chicago Cubs could become summer's darlings by going from the next to last place to the playoffs behind a castoff pitcher (Rick Sutcliffe) with a 16-1 record, then blow the National League pennant with three straight losses, the last defeat going to the same Sutcliffe.

It was a season when the most improbable collection of division winners ever — the Cubs, San Diego Padres and Kansas City Royals — could join the world champion Detroit Tigers in the baseball playoffs.

No long shot or comeback seemed too ludicrous to come true this year.

When Mary Lou Retton needed back-to-back 10s in her final events to win the women's gymnastic Olympic gold, she did it.

When Greg Norman needed to

make a 50-foot putt to force a playoff in the U.S. Open, he became the first golfer to sink such a shot for such stakes; that he could follow such a feat by losing the playoff to Fuzzy Zoeller the next day was just another pie in the face of expectation.

Certainly, the Los Angeles Lakers spent the whole summer with just such pie on their mugs after blowing a seven-game NBA final series to the Boston Celtics, who couldn't touch them for talent.

Maybe one team above all others epitomized the sense that anything, no matter how ludicrous or heroic, was possible in sports in 1984: the University of Miami football team. Two days into the year, Bernie Kosar led the Hurricanes to the season's No. 1 ranking with an almost unbelievable 31-30 Orange Bowl victory over an unbeaten and supposedly untouchable Nebraska team.

However, in November, with Kosar still at quarterback, Miami lost two of the most remarkable games in college football history. First, it blew a 31-0 lead (an NCAA record) to Maryland, then closed the regular season with a loss on a last play, a 65-yard pass by Boston College.

Naturally, at least by '84 standards, that final bomb of a 47-45 game was thrown by Doug Flutie, the bundle of charm and moxie who became the first quarterback in 13 years to win the Heisman trophy.

Just as soon as a fan thought there was some certainty in any sport, he learned how wrong he was.

For example, the New York Islanders, after winning four straight Stanley Cups, had the National Hockey League's top prize taken from them by Edmonton.

In individual sports, the same

was true. Just as soon as everybody was sure that John McEnroe and Martina Navratilova would never lose a big match, they staggered in the last days of the year. Navratilova won 74 consecutive matches, breaking Chris Evert Lloyd's record of 55, and she won seven straight Grand Slam events; however, her Australian Open loss to Helena Sukova kept her from a calendar-year Grand Slam. McEnroe, the victor at Wimbledon and in the U.S. Open, was embarrassed in the Davis Cup when his defeats in singles and doubles were at the heart of the U.S. team's loss to Sweden.

As in every year, we got a chance to tip our hats to old friends as they departed and welcome new protagonists.

Old Edwin Moses got his Olympic gold medal (his 105th straight hurdles victory) and with it the attention that had long escaped him. John Henry, the ancient equine of 9, won the Budweiser Million, prompting his owner to say, "The only thing he can't do is talk."

Kareem Abdul-Jabbar passed Walt Chamberlain in career scoring, and Walter Payton surpassed Jim Brown's lifetime rushing yardage mark.

When we look ahead to 1985, we already wonder what more we can expect from our phenoms of '84.

We can never seem to anticipate what actually happens. In a world in which our expectations seem to be constantly disappointed, the arena of sports seems to deliver not only more than it promises, but, at times, more than seems possible.

Maybe that is why our gut of games, our orgy of overtimes, our banquet of balls, has not left us jaded.

Yet.

Iowa Overpowers Texas
In First Freedom Bowl

United Press International

ANAHEIM, California — Chuck Long passed for 461 yards and six touchdowns despite a driving rain Wednesday night to power the University of Iowa to a 55-17 rout of Texas in the first Freedom Bowl.

Long, a junior who is eligible for the National Football League draft although he may return to Iowa next year, completed 29 of 39 passes and broke school records for passing yards, touchdown passes and completions. He was named the game's most valuable player.

"It was a great game to end the year on," Long said. "It was definitely my best game. I felt hot. It was a great feeling."

"He was everything we saw on the films," said Fred Akers, the Longhorns' coach. "He was as perfect as I've ever seen a quarterback in a game."

"He's easily the best I faced this year," said Jerry Gray, a defensive back for the Longhorns. "He got the ball off when he had to and found the receivers when he had to."

"I've never seen a quarterback do what he did to our defense," said Tony Degrafe, a defensive lineman for Texas. "He's probably the best quarterback I've ever seen and I've seen some good quarterbacks in my time. It's definitely the best I've seen a quarterback play."

Iowa, which dropped out of the Rose Bowl race with losses to Michigan State and Minnesota to finish the season in the Big Ten, finished with an 8-4-1 record. The

Southwest Conference Longhorns, whose Cotton Bowl hopes ended with defeats by Baylor and Texas A&M, fell to 7-4-1.

Bowl officials announced a paid crowd of 24,093 at the 68,000-seat Anaheim Stadium. The NCAA had said the game had to draw at least 26,400 for future sanctioning.

Long broke the school yardage and completion records early in the fourth quarter.

He preceded a halftime fireworks display with the beginning of his own aerial show. The 6-foot-4, 202-pounder, who fired 16 touchdowns during the regular season, threw for a pair of TDs and ended the half with nine straight completions.

The Hawkeyes scored two first-quarter touchdowns and led the rest of the way, but were on top by only seven points, 24-17, at halftime. A 31-point third quarter put the Longhorns away.

While the Iowa offense was rolling up the points, the defense was doing its job, too. Texas, which scored all of its points in the second quarter, gained only 112 yards in total offense during the second half.

"They moved the ball well in the second quarter — as well as any team has on us all year," said Mike Stoops, Iowa defensive back who made seven tackles, forced a fumble and intercepted a pass. "We just started playing a little better in the second half."

"We made some minor adjustments at halftime and then shut them down."

Nebraska's Football Coach
Accused of Rule Violations

United Press International

LOS ANGELES — Tom Osborne, the University of Nebraska's head football coach and one of the nation's most outspoken critics of NCAA rule-breakers, has been accused of violating recruiting rules by Booker Brown, a former University of Southern California and National Football League player.

Osborne reacted angrily to the charges, which were made Wednesday by Brown.

"In past weeks and months Tom Osborne has said he wasn't guilty of anything," Brown said from his Santa Barbara, California, home. "He pointed accusing fingers at others and he's saying he's above that, past or present."

"I can't speak for the present, but I can speak for the past. And in the past, he's been very guilty of all

the things he's now accusing others of. It just bugged me. The man is lying."

Brown, who anchored the USC line in 1972 and 1973 and went on to play in the World Football League and for San Diego and Tampa Bay in the NFL, said the violations occurred in the spring of 1972 when Osborne was Nebraska's offensive coordinator and Brown was a highly recruited high school senior.

Osborne, reached at his hotel in New Orleans where his Cornhuskers are preparing for the Sugar Bowl, angrily denied Brown's charges.

"I'm amazed that 11 or 12 years later all of a sudden the guy has a rush of conscience and such amazing recall."



Len Hachborn of Philadelphia is wedged between Scott Stevens, left, and Darren Veitch of Washington as Hachborn tries to score in the first period. The Capitals won, 6-0.

Coffey Scores 4 as Oilers Edge Flames

Compiled by Our Staff From Dispatches

CALGARY, Alberta — Oilers defenseman Paul Coffey took a night off from what he's normally paid to do.

In a game that matched the top two scoring clubs in the National Hockey League, Coffey scored four goals, including a short-handed game-winner, to power Edmonton to a 6-3 victory over the Calgary Flames.

Coffey, on a line with scoring ace Wayne Gretzky and right winger Jar Kurri, notched his 13th goal of the season at 16:46 of the third period with a shot from in close that eluded Rejean Lemelin on the glove side.

Coffey's effort, which gave him 13 goals this season, was the first time an NHL defenseman had scored four goals in a game since Jan Turnbull did it for Los Angeles on Dec. 12, 1981. Turnbull also holds the record for most goals in a game by a defenseman, five, set

while playing for Toronto on Feb. 2, 1977.

"Coffey attributed his success to moving in closer on the net."

"It's just one of those things. I was in the right place at the right time," he said. "I haven't been

moving up enough on the play. Tonight I tried to do that."

"Over the course of the game, if you keep working hard, you're going to be fortunate enough to come up with one."

Elsewhere in the NHL it was: Washington 6, Philadelphia 0; Hartford 5, New Jersey 3; Buffalo 6, Toronto 0; Pittsburgh 6, New York Islanders 3; Detroit 3, New York Rangers 2; Minnesota 4, Winnipeg 0; St. Louis 4, Chicago 3; and Los Angeles and Vancouver played to a 3-3 tie.

Calgary winger Lanny McDonald knotted the score 3-3 only 52

seconds into the third period. But goals by Coffey and Kurri at 3:55 and 8:03, respectively, gave Edmonton a 5-3 advantage.

Calgary's Al MacInnis and Richard Kromm evened the score 5-5 to set the stage for Coffey's game-winner.

"You know the old saying: Never give a sucker an even break. When you get them down, you have to give it to them," Coffey said.

Coffey had opened the first-period scoring at 6:02 with a wrist shot on a pass from Charlie Huddy and his second goal came at 17:04 of the first.

The victory strengthened Edmonton's hold on first place in the Smythe Division with 51 points, 12 ahead of third-place Calgary.

"They have a very good club," Coffey said. "We know that come playoff time they're going to be there. We're just trying to discourage them as much as possible."

(UPI, AP)

Taking Care of Business and Football

By Malcolm Moran

New York Times Service

NEW YORK — The education of Derrick Harmon took a different turn last winter, a direction that has little to do with achieving a degree in engineering physics at Cornell. Last winter Harmon attended two seminars to learn about a business that has often, to his disappointment, interfered with the business of getting an education.

He went to seminars on professional football, invitation-only affairs in Seattle and New Orleans. These were much more than tryout camps. These were places where dozens of players were examined, drilled, challenged, filmed, studied, compared and evaluated. In those antiseptic settings, far from the hands and the emotion of lining up for the big game, all those athletes discovered how much marketability they possessed, or how little.

And what Derrick Harmon learned was that he belonged. "It opened my eyes," he said. "All I really wanted was an opportunity, and after the camps, I was convinced that was all I needed."

He has since convinced others. Harmon, a ninth-round choice of the San Francisco 49ers, the 248th player selected in the draft, will play against the Giants on Saturday in his first playoff game. He rushed 39 times for 192 yards in the regular season, and returned 13 kickoffs for an average of 27.5 yards.

In his progression from Bay Side High School in Queens to Cornell to a Super Bowl contender, Harmon has helped reverse the feeling that football teams should not look to New York City high schools or Ivy League colleges for their talent.

When Harmon was at Cornell and Bay Side, he felt strongly that the football business was not yet supposed to be a business, and he went through an uneasy accep-

ance. "Football doesn't rate that high on my priority chart," he said two years ago.

He resented a recruiting process that forced him to miss class time and spend hours at night talking to persistent strangers at Cornell. Last winter Harmon attended two seminars to learn about a business that has often, to his disappointment, interfered with the business of getting an education.

Late in the summer before his sophomore year at Cornell, Harmon decided he had had enough. He told his brothers, Ronnie and Kevin, who were then at Bay Side, that he had decided not to play football. After missing seven days of camp, Derrick returned, he said, partly to demonstrate to his brothers that it was possible to succeed on a field each Saturday and in a classroom from Monday through Friday.

His career total of 3,004 yards at Cornell is second only to that of Ed Marinaro. He was graduated with a 3.5 grade-point average (out of 4.0). Kevin Harmon, a reserve quarterback and tailback at Iowa this year, gained an average of 6.8 yards in 10 carries and threw for one touchdown. Ronnie Harmon gained 907 yards and scored 11 touchdowns in his junior season despite being limited to nine games by a broken leg. He was named second-team All-American by The Sporting News and earned honorable mention from The Associated Press.

Once, Ronnie Harmon heard advice from his older brother. But as Derrick's professional opportunity drew near, he was able to hear from Ronnie that the big-time is not necessarily that much bigger. "Every time we spoke," Derrick said, "he always said the level of Big Ten players was not something extraordinary. He said, 'Hey, you could do it.' He's always been supportive."

